

## COMMITTEES AND COMMISSIONS IN INDIA

# **COMMITTEES AND COMMISSIONS IN INDIA 1947-73**

**Volume I : 1947-54**

**Virendra Kumar**

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To  
The Memory Of My Father



## FOREWORD

Shri Virendra Kumar's compilation on 'Committees and Commissions in India' is a singularly valuable research and reference tool and promises to be of immense practical utility to libraries and scholars.

The cynics may often proclaim the wisdom of the facetious epigram that committees and commissions consist of men who can do nothing individually and who decide collectively that nothing can be done. In fact, committees and commissions ideally provide opportunities to men and women of ability and competence to contribute the quintessence of their understanding and experience for the commonweal. The committees and commissions gather relevant information, subject it to a process of sifting and analysis and weigh and appraise diverse considerations on the scale of appropriate norms and criteria. The committees and commissions thus provide a machinery for data processing and policy judgements, epitomising the principle of true and tested facts leading to sober reflections and conclusions. As a brains trust, committees and commissions can fruitfully function as a part of the continuous process of evaluation, innovation and reform.

That is why the rationale of public enquiries is too well established in the modern world to require any elaborate reiteration. Committees and commissions are rightly and universally recognised today as an indispensable arm of government, an invaluable aid to the administration and policy-making processes and an effective instrument of public participation.

Shri Virendra Kumar has pointed out that the universe of commissions and committees is extremely heterogeneous for systematic study as a single category. This compilation will not only assist the researcher interested in a particular committee or commission but will also help in a systematic study of committees and commissions, their contribution to the data gathering and policy making processes, their techniques and their effectiveness.

I take this opportunity to congratulate Shri Virendra Kumar for his painstaking, methodical and imaginative effort and wish this venture the success it deserves.

L. M. SINGHVI

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# INTRODUCTION

The matrix of commissions is too heterogeneous to lend itself to a systematic study or some type of general categorisation.

The present study attempts to understand and analyse the activities of the various commissions and committees, something which has received only scant attention of even bibliophiles and documentation experts. Whether or not the commissions can be studied under one classification the fact remains that democratic governments all over the world have largely come to rely on them. Such governments make an extensive use of the instrument of public inquiries which ultimately help in lessening managerial tensions as well as quietening allegations of misrule. According to John Stuart Mill, "a man seldom judges right, even in his own concerns, still less in those of the public, when he makes habitual use of no knowledge but his own or that of some single adviser." As such, the 'Committee System' greatly helps in the proper functioning of a democratic set-up.

A 'Commission' is a "governmental agency created to perform a particular function, such as special investigation or governmental regulations of business". It is appointed mainly when it is thought that a matter involves some financial questions. There are other aspects as well for which a Commission is appointed, e.g., in matters pertaining to welfare of the state and its citizens and for improving the efficiency of an administration. The status of a 'Committee' is also the same as that of a Commission. But it does not have as wide powers as enjoyed by a Commission and would have to limit itself in relation to specific work assigned to it under the terms of reference. While arriving at decisions in the form of recommendations a committee or a commission ensures that such decisions are representative of the interest of various types of people and also a safeguard against abuse of power.

In India, the origin of public inquiries is the legacy of the British system. In the United Kingdom, the commissions are known as 'Royal Commissions of Inquiry' and their origin is traced to the Norman times. This method of inquiry had been the instrument of the King since 1066 A.D., and later of the Parliament and the Cabinet. In the olden days the appointment of members of these investigative bodies was the prerogative of the Crown. These members performed their duties permanently or temporarily on behalf of the King. Occasionally, special commissioners were also appointed for inspectional and investigative purposes. For example, there was an extraordinary inquiry into the fiscal rights of the King in 1194 A.D. During the time of Edward I, the inquest for local liberties and franchise of the Barons had led to a further statutory inquiry by the Commissioners throughout the quowarranto proceedings for the jurisdiction held by the local magnates.

Thus, before the establishment of the British Parliament, Royal Commissions of Inquiry were in vogue in the British administration and were appointed under Statutes. During the Tudor Period such agencies of the Government were Privy Council and Royal Commissions and no one ever questioned the powers of the Council to inquire into matters affecting the State and the Government. As early as in 1553 A.D., the Privy Council was divided into five

committees, the function of each of which was to pursue official inquiries whenever it was necessary by means of commissions of inquiry.

During the Stuart Period the Council was converted into a typical Parliamentary agency—The Committee—and the use of such committees by both the Houses of Parliament was in existence in the 14th Century. At the end of the 16th Century the procedure of setting up select committees, which had been evolving for a long time, was properly established, and there was also a Committee on Grievances.

The Royal commissions of inquiry were extensively used during the Victorian Age because the guardians of the state were more interested in investigating every sphere of social life with a view to cleansing the existing evils. The original intention of the commissions was to provide relief to industry and labour and to impose restrictions on the capitalist enterprises and the vested interests.

In 1833 the Whig Party revived the Royal commissions of inquiry and in the last decades of the 19th Century many Royal commissions were appointed. The spirit of inquiry which dominated the then Parliament found expression after 1830 and scores of committees and commissions were appointed during each session of Parliament.

According to Professor Redlich: "A Royal commission has many advantages over a Parliamentary committee; it can, while a Parliamentary committee cannot, prolong its work beyond the limits of a session, if necessary even for years; and it is possible to appoint scientific experts as members, so as to secure a complete impartial treatment of the subject; the consequence is that commissions have largely superseded Parliamentary committees when elaborate enquiries have to be made" (*The Procedure of the House of Commons*, II, 1931).

The appointment of Royal commissions was at the peak after 1850 and a number of Royal commissions were appointed. The Royal commissions have thus become a legitimate method of inquiry and are appointed for the purpose of investigating a subject about which there is not much knowledge. They are useful for clarification of difficult subjects which agitate the minds of the people and on which there is no information. They serve, therefore, as a fact finding commission, and the procedure is to hold inquiries.

The appointment of Royal commissions had two main purposes:

(i) Compiling information on some major topics of political dispute, and (ii) reconciling public opinion.

As a consequence of the East India Company's affairs coming frequently at this time under the notice of Parliament, committees of the House of Commons were appointed to investigate them; and the result of the committees' enquiries is contained in several voluminous reports made available during 1772-73 and again during 1781-82-83. After 1783, no committee was appointed and no inquiry conducted.

There were many commissions of inquiry for India such as the Indian Commission on Education, Statutory Commission, Calcutta University Commission, Royal Commission on Labour, and various committees (for the "improvement of the condition of the Indian people") on various subjects, e.g., agriculture, railways, weights and measures, taxation, finance, industrial development, tariff, riots, decentralization, working of a department, production of salt, welfare of the people and the like.

The appointing authorities of these commissions and committees were:

(i) The crown; (ii) the Secretary of State for India with instructions from the British Parliament; (iii) the Governor-General-in-Council and the Viceroy of India; and (iv) local boards and councils for advising on various special subjects prevailing under the then Indian conditions.

In independent India, we have chosen to have a parliamentary government based on a popular mandate. In a system like this it is necessary for the government for winning over the people to make its policies more and more acceptable to them. This implementation of the policies is largely based on the extent to which the people are convinced that the policies formulated, plans drawn up and surveys undertaken are in general interest of the society.

Whenever an allegation is made against the Government about the failure of its policies, corruption, frequency of communal riots and similar other issues, it may appoint a fact finding inquiry commission and subject to the allegations sustained, the government may accept its recommendations and implement them. The government may even have to resign in the best traditions of a democracy.

Public inquiries are conducted by special tribunals appointed for investigating a dispute between the government and a citizen; between employees and their employers on questions like the quantum of bonus, payment of salaries on time, enhanced allowances due to rise in prices of essential commodities, etc. Such types of disputes are investigated through a Commissioner, Inspector or some such official.

Sometimes, a public inquiry is instituted to evaluate the result of a governmental plan or project implemented with a view to providing a stable and efficient administration. These public inquiries educate the people about the actions taken by the government on the public policies so that good relations may develop between the government and the people.

The Commissions can be classified into two groups: *Ad hoc* and Permanent. *Ad hoc* commissions cease to exist after they complete their inquiry and submit the report to the appointing authority. Permanent commissions have a longer life and are constituted under some Act of Parliament. Examples of the latter group are: Law Commission, University Grants Commission, Planning Commission and Tariff Commission. There are also commissions like the Union Public Service Commission and the state public service commissions which are constituted in terms of the provision of the Constitution of India. The Election Commission of India, charged with the responsibility of conducting elections throughout India is also created in accordance with the provision of Article 324 of the Constitution.

The word 'Committee' has commonly come to be associated with the committees of Parliament, though it is also used in the context of a commission. But when used in the latter context, it implies that a committee generally enjoys less powers than a commission. The role of the committees of Parliament is entirely different and this can best be understood by having a glance at the working of the Indian Parliament.

As the Parliament has to complete a heavy business within a limited time, it entrusts its business to the committees. The permanent committees are called Standing Committees. These are constituted by the Chairman of the Rajya Sabha or the Speaker of the Lok Sabha as the case may be in pursuance of the 'Rules of Procedure' of the House. The important Standing Committees are:

1. Financial Committees: Estimates Committee; Public Accounts Committee; and Committee on Public Undertakings, etc.

2. Advisory Committees: Business Advisory Committee; Committee on Private Members' Bills and Resolutions; Rules Committee; Committee on Absence of Members from the Sitting of the House.

3. Committees to Enquire: Committee of Privileges; Committee on Petitions.

4. House-Keeping Committees: Library Committee; Joint Committee on Salaries and Allowances of Members; Catering Committee.



5. **Committees to Scrutinize and Control:** Committee on Government Assurances; Committee on Subordinate Legislation.

6. **Committees for Welfare:** Committee on Welfare of the Scheduled Castes and Scheduled Tribes.

7. **Committees to Legislate:** At the beginning of each session, the Lok Sabha appoints two large Standing Committees called Committees to Legislate, one dealing with the Bills relating to law, justice, courts and legal procedure and the other with the Bills relating to agriculture, trade, shipping, fisheries etc. This second committee may consider all the topics in the Bill and also propose amendments and these are called Parliamentary Committees.

The Parliamentary Committees are elected or appointed by the House or nominated by the Speaker. They work under the direction of the Speaker and present their report to the House or to the Speaker. The Members of the Committee on Public Accounts, Estimates and Public Undertakings are elected every year by the Members of Lok Sabha. Members of a specified Parliamentary committee may be nominated by the Speaker after consultation with the leader of the House and the leaders of the opposition parties and groups in the House. The Committee on Subordinate Legislation and the Committee on Government Assurances are nominated by the Speaker for a period not exceeding one year.

To make these commissions and committees statutory the Government of India enacted the following Act through Parliament which is called 'The Commissions of Inquiry Act, 1952' (No. IX of 1952).

### Definition

In this Act, unless the context otherwise requires:

(a) "appropriate Government" means:

i. the Central Government in relation to a commission appointed by it to make an inquiry into any matter relatable to any of the entries enumerated in List I or List II or List III in the Seventh Schedule of the Constitution; and

ii. the state government in relation to a commission appointed by it to make an inquiry into any matter relatable to any of the entries enumerated in List II or List III in the Seventh Schedule of the Constitution.

(b) "Commission" means a commission of inquiry appointed under Section 3.

(c) "Prescribed" means prescribed by rules made under this Act.

### Appointment of Commission

(1) The appropriate government may, if it is of opinion that it is necessary so to do, and shall, if a resolution in this behalf is passed by the House of the People or as the case may be, the Legislative Assembly of the state, by notification in the official Gazette, appoint a commission of inquiry for the purpose of making an inquiry into any definite matter of public importance and performing such functions and within such time as may be specified in the notification and the commission so appointed shall make the inquiry and perform the functions accordingly:

Provided that where any such commission has been appointed to inquire into any matter:

(a) by the Central Government, no state government shall, except with the approval of the Central Government, appoint another commission to inquire into the same matter for so long as the commission appointed by the Central Government is functioning;

(b) by a state government, the Central Government shall not appoint another commission to inquire into the same matter for so long as the commission appointed by the state government is functioning, unless the Central Government is of opinion that the scope of the inquiry should be extended to two or more states.

(2) The Commission may consist of one or more members appointed by the appropriate government, and where the commission consists of more than one members, one of them may be appointed as the Chairman thereof.

#### **Powers of Commission**

The commission shall have the powers of a civil court, while trying a suit under the Code of Civil Procedure, 1908 (Act V of 1908), in respect of the following matters, namely:

- (a) Summoning and enforcing the attendance of any person and examining him on oath;
- (b) requiring the discovery and production of any document;
- (c) receiving evidence on affidavits;
- (d) requisitioning any public record or copy thereof from any court or office;
- (e) issuing commissions for the examination of witnesses or documents;
- (f) Any other matter which may be prescribed.

#### **Additional Powers of Commission**

(1) Where the appropriate government is of opinion that, having regard to the nature of the inquiry to be made and other circumstances of the case, all or any of the provisions of sub-section (2) or sub-section (3) or sub-section (4) or sub-section (5) should be made applicable to a commission the appropriate government may, by notification in the official gazette, direct that all or such of the said provisions as may be specified in the notification shall apply to that Commission and on the issue of such a notification, the provisions shall apply accordingly.

(2) The commission shall have power to require any person subject to any privilege which may be claimed by that person under any law for the time being in force, to furnish information on such points or matters as in the opinion of the commission, may be useful for, relevant to, the subject matter of the inquiry.

(3) The commission or any officer, not below the rank of a gazetted officer, specially authorised in this behalf by the commission may enter any building or place where the commission has reason to believe that any books of account or other documents relating to the subject matter of the inquiry may be found, and may seize any such books of account or documents or take extracts or copies therefrom, subject to the provisions of Section 102 and Section 103 of the Code of Criminal Procedure, 1898 (Act V of 1898) in so far as they may be applicable.

(4) The commission shall be deemed to be a civil court and when any offence as is described in Section 175, Section 178, Section 179, Section 180 or Section 228 of the Indian Penal Code (Act XLV of 1860) is committed in the view or presence of the commission, the commission may, after recording the facts constituting the offence and the statement of the accused as provided for in the Code of Criminal Procedure, 1898 (Act V of 1898), forward the case to a magistrate having jurisdiction to try the same and the magistrate to whom any such case is forwarded shall proceed to hear the complaint against the accused as if the case had been forwarded to him under Section 482 of the Code of Criminal Procedure, 1898.

(5) Any proceeding before the Commission shall be deemed to be a judicial proceeding within the meaning of Sections 193 and 228 of the Indian Penal Code (Act XLV of 1860).

### **Statement Made by Persons to the Commission**

No statement made by a person in the course of giving evidence before the commission shall subject him to, or be used against him in, any civil or criminal proceeding except a prosecution for giving false evidence by such statement:

Provided that the statement

- (a) is made in reply to a question which he is required by the commission to answer, or
- (b) is relevant to the subject matter of the inquiry.

### **Commission to Cease to Exist When so Notified**

The appropriate government may, if it is of opinion that the continued existence of a commission is unnecessary, by notification in the official gazette, declare that the commission shall cease to exist from such date as may be specified in this behalf in such notification, and thereupon, the commission shall cease to exist.

### **Procedure to be Followed by the Commission**

The Commission shall, subject to any rules that may be made in this behalf, have power to regulate its own procedure (including the fixing of places and times of its sitting and deciding whether to sit in public or in private) and may act notwithstanding the temporary absence of any member or the existence of a vacancy among its members.

### **Protection of Action Taken in Good Faith**

No suit or other legal proceeding shall lie against the appropriate government, the commission or any member thereof, or any person acting under the direction either of the appropriate government or of the commission in respect of anything which is in good faith done or intended to be done in pursuance of this Act or of any rules or orders made thereunder in respect of the publication by, or under the authority of the appropriate government or the commission, of any report, paper or proceedings.

### **Members, etc. to be Public Servants**

Every member of the commission and every officer appointed or authorised by the Commission to exercise functions under this Act shall be deemed to be a public servant within the meaning of Section 21 of the Indian Penal Code (Act XLV of 1860).

### **Act to Apply to Other Inquiring Authorities in Certain Cases**

Where any authority (by whatever name called), other than a commission appointed under section 3, has been or is set up under any resolution or order of the appropriate government for the purpose of making an inquiry into any definite matter of public importance and that government is of opinion that all or any of the provisions of this Act should be made applicable to that authority, that government may, subject to the prohibition contained in the provision to sub-section (1) of section 3, by notification in the official gazette, direct that the said provisions of the Act shall apply to that authority, and on the issue of such a notification, that authority shall be deemed to be a commission appointed under section 3 for the purpose of this Act.

### **Power to Make Rules**

(1) The appropriate government may by notification in the official gazette, make rules to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:

- (a) the term of office and the conditions of service of the members of the commission;
- (b) the manner in which inquiries may be held under this Act and the procedure to be followed by the commission in respect of the proceedings before it;
- (c) the powers of civil court which may be vested in the commission;
- (d) any other matter which has to be or may be prescribed.

According to Article 246, Schedule VII, of the Constitution of India the commission or committee may be appointed on the subjects as defined in List I (Union List), List II (State List) and List III (Concurrent List).

#### List I : Union List

1. Defence of India and every part thereof including preparation for defence and all such acts as may be conducive in times of war to its prosecution and after its termination to effective demobilisation;

2. Naval, military and air forces; any other armed forces of the Union;

3. Delimitation of cantonment areas, local self-government in such areas, the constitution and powers within such areas of cantonment authorities and the regulation of house accommodation (including the control of rents) in such areas;

4. Naval, military and airforce workers;

5. Arms, firearms, ammunition and explosives;

6. Atomic energy and mineral resources necessary for its production;

7. Industries declared by Parliament by law to be necessary for the purpose of defence or for the prosecution of war;

8. Central Bureau of Intelligence and Investigation;

9. Preventive detention for reasons connected with defence, foreign affairs, or the security of India; persons subjected to such detention;

10. Foreign affairs; all matters which bring the Union into relation with any foreign country;

11. Diplomatic, consular and trade representation;

12. United Nations Organization;

13. Participation in international conferences, associations and other bodies and implementing of decisions made thereat;

14. Entering into treaties and agreements with foreign countries and implementing of treaties, agreements and conventions with foreign countries;

15. War and peace;

16. Foreign jurisdiction;

17. Citizenship, naturalisation and aliens;

18. Extradition;

19. Admission into, and emigration and expulsion from, India; passports and visas;

20. Pilgrimages to places outside India;

21. Piracies and crimes committed on the high seas or in the air; offences against the law of nations committed on land or the high seas or in the air;

<sup>1</sup>In its application to the State of Jammu and Kashmir, for entry 3, the following entry shall be substituted, namely :

“3. Administration of cantonments.”

<sup>2</sup>Not applicable to the State of Jammu and Kashmir.

22. Railways;
23. Highways declared by or under law made by Parliament to be National Highways;
24. Shipping and navigation on inland waterways, declared by Parliament by law to be national waterways, as regards mechanically propelled vessels; the rule of the road on such waterways;
25. Maritime shipping and navigation, including shipping and navigation on tidal waters; provision of education and training for the mercantile marine and regulation of such education and training provided by states and other agencies;
26. Lighthouses, including lightships, beacons and other provision for the safety of shipping and aircraft;
27. Ports declared by or under law made by Parliament or existing law to be major ports, including their delimitation, and the constitution and powers of port authorities therein;
28. Ports quarantine, including hospitals connected therewith; seamen's and marine hospitals;
29. Airways, aircraft and air navigation; provision of aerodromes; regulation and organization of air traffic and regulation of such education and training provided by states and other agencies;
30. Carriage of passengers and goods by railways, sea or air, or by national waterways in mechanically propelled vessels;
31. Posts and telegraphs; telephones, wireless, broadcasting and other like forms of communication;
32. Property of the Union and the revenue therefrom, but as regards property situated in a state subject to legislation by the state<sup>1\*\*\*</sup> subject to legislation by the state save in so far as Parliament by law otherwise provides;
- \*33. \*\*\* \* \* \* \*
- \*34. Courts of wards for the estates of Rulers of Indian States;
35. Public debt of the Union;
36. Currency, coinage and legal tender; foreign exchange;
37. Foreign loans;
38. Reserve Bank of India;
39. Post Office Savings Bank;
40. Lotteries organized by the Government of India or the government of a state;
41. Trade and commerce with foreign countries; import and export across customs frontiers; definition of customs frontiers;
42. Inter-state trade and commerce.
43. Incorporation, regulation and winding up of trading corporations, including banking, insurance and financial corporations but not including cooperative societies.
44. Incorporation, regulation and winding up of corporations, whether trading or not, with objects not confined to one state, but not including universities;
45. Banking;
46. Bills of exchange, cheques, promissory notes and other like instruments;
47. Insurance;

<sup>1</sup>The words and letters "Specified in Part A or Part B of the First Schedule" omitted by the Constitution (Seventh Amendment) Act, 1956, S. 29 and Sch.

<sup>\*</sup>Entry 33 omitted by S. 26, *ibid*.

<sup>\*</sup>Not applicable to the State of Jammu and Kashmir.

48. Stock exchanges and future markets;
49. Patents, inventions and designs, copyright; trade-marks and merchandise marks;
50. Establishment of standards of weight and measure;
51. Establishment of standards of quality for goods to be exported out of India or transported from one state to another;
52. Industries, the control of which by the Union is declared by Parliament by law to be expedient in the public interest;
53. Regulation and development of oilfields and mineral oil resources; petroleum and petroleum products; other liquids and substances declared by Parliament by law to be dangerously inflammable;
54. Regulation of mines and mineral development to the extent to which such regulation and development under the control of the Union is declared by Parliament by law to be expedient in the Public interest;
55. Regulation of labour and safety in mines and oilfields;
56. Regulation and development of inter-state rivers and river valleys to the extent to which such regulation and development under control of the Union is declared by Parliament by law to be expedient in the public interest;
57. Fishing and fisheries beyond territorial waters;
58. Manufacture, supply and distribution of salt by Union agencies; regulation and control of manufacture, supply and distribution of salt by other agencies;
59. Cultivation, manufacture and sale for export of opium;
60. Sanctioning of cinematograph films for exhibition;
61. Industrial disputes concerning union employees;
62. The institution known at the commencement of this Constitution as the National Library, the Indian Museum, the Imperial War Museum, the Victoria Memorial and the Indian War Memorial, and any other like institution financed by the Government of India wholly or in part and declared by Parliament by law to be an institution of national importance;
63. The institutions known at the commencement of this Constitution as Banaras Hindu University, the Aligarh Muslim University and the Delhi University and any other institution declared by Parliament by law to be an institution of national importance;
64. Institutions for scientific or technical education financed by the Government of India wholly or in part and declared by Parliament by law to be institutions of national importance;
65. Union agencies and institutions for—(a) professional, vocational or technical training including the training of Police officers; or (b) the promotion of special studies or research; or (c) scientific or technical assistance in the investigation or detection of crime;
66. Coordination and determination of standards in institutions for higher education or research and scientific and technical institutions;
167. Ancient and historical monuments and records, and archaeological sites and remains, <sup>1</sup>[declared by or under law made by Parliament] to be of national importance;
68. The Survey of India, the Geological, Botanical, Zoological and Anthropological Surveys of India, Meteorological Organizations;
69. Census;

<sup>1</sup>In its application to the State of Jammu and Kashmir, in entry 67, the words "and records" shall be omitted.

<sup>2</sup>Subs. by the Constitution (Seventh Amendment) Act, 1956, S. 27, for "declared by Parliament by law."

70. Union public services, all-India services, Union Public Service Commission;
71. Union pensions, that is to say, pensions payable by the Government of India or out of the Consolidated Fund of India;
- <sup>1</sup>72. Elections of Parliament, to legislatures of States and to the offices of President and Vice-President; the Election Commission;
73. Salaries and allowances of members of Parliament, the Chairman and Deputy Chairman of the Council of States and the Speaker and Deputy Speaker of the House of the People;
74. Powers, privileges and immunities of each House of Parliament and of the members and the committees of each House; enforcement of attendance of persons for giving evidence or producing documents before Committees of Parliament or Commissions appointed by Parliament;
75. Emoluments, allowances, privileges and rights in respect of leave of absence, of the President and Governors; salaries and allowances of the Ministries for the Union; the salaries, allowances, and rights in respect of leave of absence and other conditions of service of the Comptroller and Auditor-General;
76. Audit of the accounts of the Union and of the States;
77. Constitution, organization, jurisdiction and powers of the Supreme Court (including contempt of such court), and the fees taken therein; persons entitled to practise before the Supreme Court;
78. Constitution and Organization <sup>2</sup>[including Vacations] of the High Courts except provisions as to officers and servants of High Courts; persons entitled to practise before the High Court;
- <sup>3</sup>[<sup>4</sup>79. Extension of jurisdiction of a High Court to, and exclusion of the jurisdiction of a High Court from any Union territory];
80. Extension of the powers and the jurisdiction of members of a police force belonging to any State to any area outside that State, but not so as to enable the Police of one State to exercise powers and jurisdiction in any area outside that State without the consent of the Government of the State in which such area is situated; extension of the powers and jurisdiction of members of a police force belonging to any State to railway areas outside the State;
- <sup>5</sup>81. Inter-state migration; inter-State quarantine;
82. Taxes on income other than agricultural income;
83. Duties of customs including export duties;
84. Duties of excise on tobacco and other goods manufactured or produced in India except (a) alcoholic liquors for human consumption; (b) opium, Indian hemp and other narcotic drugs and narcotics;

<sup>1</sup>In its application to the State of Jammu and Kashmir, in entry 72, the reference to the States shall be construed,

(a) in relation to appeals to the Supreme Court from any decision or order of the High Court of the State of Jammu and Kashmir made in an election petition whereby an election to either House of the legislature of that State has been called in question, as including a reference to the State of Jammu and Kashmir.

(b) in relation to other matters, as not including a reference to that State.

<sup>2</sup>Ins. by the Constitution (Fifteenth Amendment) Act, 1963, S. 12 (with retrospective effect).

<sup>3</sup>Subs. by the Constitution (Seventh Amendment) Act, 1956, S. 29 and Sch., for entry 79.

<sup>4</sup>Not applicable to the State of Jammu and Kashmir.

<sup>5</sup>In its application to the State of Jammu and Kashmir, in item 81, the words "inter-state migration," shall be omitted.

85. Corporation Tax;
86. Taxes on the capital value of the assets, exclusive of agricultural land, of individuals and companies; taxes on the capital of companies;
87. Estate Duty in respect of property other than agricultural land;
88. Duties in respect of succession to property other than agricultural land;
89. Terminal taxes on goods or passengers, carried by railway, sea or air; taxes on railway fares and freights;
90. Taxes other than stamp duties on transactions in stock exchanges and future markets;
91. Rates of stamp duty in respect of bills of exchange, cheques, promissory notes, bills of lading, letters of credit, policies of insurance, transfer of shares, debentures, proxies and receipts;
92. Taxes on the sale or purchase of newspapers and on advertisements published therein;
- 92A. Taxes on the sale or purchase of goods other than newspapers, where such sale or purchase takes place in the course of inter-state trade or commerce];
93. Offences against laws with respect to any of the matters in this List;
94. Inquiries, surveys and statistics for the purpose of any of the matters in this List;
95. Jurisdiction and powers of all courts, except the Supreme Court, with respect to any of the matters in this List; admiralty jurisdiction;
96. Fees in respect of any of the matters in this List, but not including fees taken in any Court;
97. Any other matter not enumerated in Lists II or III including any tax not mentioned in either of those Lists.

#### **3List II: State List**

1. Public Order (but not including the use of naval, military or air forces or any other armed forces of the Union in aid of civil power);
2. Police, including railway and village police;
3. Administration of justice; constitution and organization of all courts, except the Supreme Court and the High Court; officers and servants of the High Court; procedure in rent and revenue courts; fees taken in all courts except the Supreme Court.
4. Prisons, reformatories, Borstal institutions and other institutions of a like nature, and persons detained therein; arrangements with other States for the use of prisons and other institutions;
5. Local government, that is to say, the constitution and powers of municipal corporations, improvement trusts, district boards, mining settlement authorities and other local authorities for the purpose of local self-government or village administration;

<sup>1</sup>Ins. by the Constitution (Sixth Amendment) Act, 1956, S. 2.

<sup>2</sup>In its application to the State of Jammu and Kashmir, for entry 97, the following entry shall be substituted, namely:

- "97. Prevention of the activities directed towards disclaiming, questioning or disrupting the sovereignty and territorial integrity of India or bringing about secession of a part of the territory of India or secession of a part of the territory of India from the Union or causing insult to the Indian National Flag, the Indian National Anthem and this Constitution; taxes on foreign travel by sea or air, on inland air travel and on postal articles, including moneyorders, phonograms and telegrams."

<sup>3</sup>Not applicable to the State of Jammu and Kashmir.



6. Public health and sanitation; hospitals and dispensaries;
7. Pilgrimages, other than pilgrimages to places outside India;
8. Intoxicating liquors, that is to say, the production, manufacture, possession, transport, purchase and sale of intoxicating liquors;
9. Relief of the disabled and unemployable;
10. Burials and burial grounds; cremations and cremation grounds;
11. Education including universities, subject to the provisions of entries 63, 64, 65 and 66 of List I and entry 25 of List III;
12. Libraries, museums and other similar institutions controlled or financed by the States; ancient and historical monuments and records other than those '[declared by or under law made by Parliament] to be of national importance;
13. Communications, that is to say, roads, bridges, ferries, and other means of communication not specified in List I; municipal tramways; ropeways; inland waterways and traffic there on subject to the provisions of List I and List III with regard to such waterways; vehicles other than mechanically propelled vehicles;
14. Agriculture, including agricultural education and research, protection against pests and prevention of plant diseases;
15. Preservation, protection and improvement of stock and prevention of animal diseases; veterinary training and practice;
16. Pounds and the prevention of cattle trespass;
17. Water, that is to say, water supplies, irrigation and canals, drainage and embankments, water storage and water power subject to the provisions of entry 56 of List I;
18. Land, that is to say, rights in or over land, land tenures including the relation of landlord and tenant, and the collection of rents; transfer and alienation of agricultural land; land improvement and agricultural loans; colonization;
19. Forests;
20. Protection of wild animals and birds;
21. Fisheries;
22. Courts of wards subject to the provisions of entry 34 of List I; encumbered and attached estates;
23. Regulation of mines and mineral development subject to the provisions of List I with respect to regulation and development under the control of the Union;
24. Industries subject to the provisions of '[entries 7 and 52] of List I;
25. Gas and gas-works;
26. Trade and commerce within the state subject to the provisions of entry 33 of List III;
27. Production, supply and distribution of goods subject to the provisions of entry 33 of List III;
28. Markets and fairs;
29. Weights and measures except establishment of standards;
30. Money-lending and money-lenders; relief of agricultural indebtedness;
31. Inns and inn-keepers;
32. Incorporation, regulation and winding up of corporations, other than those specified

<sup>1</sup>Subs. by the Constitution (Seventh Amendment) Act, 1956, S. 27, for "declared by Parliament by law."

<sup>2</sup>Subs. by the Constitution (Seventh Amendment) Act, 1956 S. 28 for "entry 52".

in List I, and universities; unincorporated trading, literary, scientific, religious and other societies and associations; cooperative societies.

33. Theatres and dramatic performances; cinemas subject to the provisions of entry 60 of List I; sports, entertainments and amusements;

34. Betting and gambling;

35. Works, lands and buildings vested in or in the possession of the State;

36. \*\*\*\* \* \* \* \* \*

37. Elections to the legislature of the State subject to the provisions of any law made by Parliament;

38. Salaries and allowances of members of the legislature of the state, of the Speaker and Deputy Speaker of the Legislative Assembly and, if there is a Legislative Council, of the Chairman and Deputy Chairman thereof;

39. Powers, privileges and immunities of the Legislative Assembly and of the members and the committees thereof and, if there is a Legislative Council, of that Council and of the members of the committees thereof; enforcement of attendance of persons for giving evidence or producing documents before committees of the legislature of the State;

40. Salaries and allowances of Ministers for the state;

41. State public services, State Public Service Commission;

42. State pensions, that is to say, pensions payable by the state or out of the Consolidated Fund of the state;

43. Public debt of the State;

44. Treasure trove;

45. Land revenue, including the assessment and collection of revenue, the maintenance of land records, survey for revenue purposes and records of rights, and alienation of revenues;

46. Taxes on agricultural income;

47. Duties in respect of succession to agricultural land;

48. Estate duty in respect of agricultural land;

49. Taxes on lands and buildings;

50. Taxes on mineral rights subject to any limitations imposed by Parliament by law relating to mineral development;

51. Duties of excise on the following goods manufactured or produced in the state and countervailing duties at the same or lower rates on similar goods manufactured or produced elsewhere in India:

(a) alcoholic liquors for human consumption;

(b) opium, Indian hemp and other narcotic drugs and narcotics;

but not including medicinal and toilet preparations containing alcohol or any substance included in sub-paragraph (b) of this entry;

52. Taxes on the entry of goods into a local area for consumption, use or sale therein;

53. Taxes on the consumption or sale of electricity;

<sup>1</sup>[54. Taxes on the sale or purchase of goods other than newspapers, subject to the provisions of entry 92A of List I];

55. Taxes on advertisements other than advertisements published in the newspapers;

56. Taxes on goods and passengers carried by road or on inland waterways;

<sup>1</sup>Entry 36 omitted by the Constitution (Seventh Amendment) Act, 1956 S. 26.

<sup>2</sup>Subs. by the Constitution (Sixth Amendment) Act, 1956, S. 2, for the original entry 54.

57. Taxes on vehicles, whether mechanically propelled or not, suitable for use on roads, including tramcars subject to the provisions of entry 35 of List III;
58. Taxes on animals and boats;
59. Tolls;
60. Taxes on professions, trades, callings and employments;
61. Capitation taxes;
62. Taxes on [luxuries, including taxes on entertainments, amusements, betting and gambling;
63. Rates of stamp duty in respect of documents other than those specified in the provisions of List I with regard to rates of stamp duty;
64. Offences against laws with respect to any of the matters in this List;
65. Jurisdiction and powers of all courts, except the Supreme Court, with respect to any of the matters in this List;
66. Fees in respect of any of the matters in this List, but not including fees taken in any court.

### List III : Concurrent List

1. Criminal law, including all matters included in the Indian Penal Code at the commencement of this Constitution but excluding offences against laws with respect to any of the matters specified in List I or List II and excluding the use of naval, military or air forces or any other armed forces of the Union in aid of the civil power;
- \*2. Criminal procedure, including all matters included in the Code of Criminal Procedure at the commencement of this Constitution;
- \*3. Preventive detention for reasons connected with the security of a state, the maintenance of public order, or the maintenance of supplies, and services essential to the community; persons subjected to such detention;
4. Removal from one State to another State of prisoners, accused persons and persons subjected to preventive detention for reasons specified in entry 3 of this List;
- \*5. Marriage and divorce; infants and minors; adoption; wills, intestacy and succession; joint family and partition; all matters in respect of which parties in judicial proceedings were immediately before the commencement of this constitution subject to their personal law;
- \*6. Transfer of property other than agricultural land; registration of deeds and documents;
- \*7. Contracts, including partnership, agency, contracts of carriage, and other special forms of contracts, but not including contracts relating to agricultural land;
- \*8. Actionable wrongs;
- \*9. Bankruptcy and insolvency;
- \*10. Trust and trustees;
11. Administrators-general and official trustees;

\*In its application to the State of Jammu and Kashmir, for entry 1, the following entry shall be substituted, namely:

- "1. Criminal law (excluding offences against laws with respect to any of the matters specified in List I and excluding the use of naval, military or air forces or any other armed forces of the Union in aid of the civil power) in so far such criminal law relates to offences against laws with respect to any of the matters specified in this list."

\*Not applicable to the State of Jammu and Kashmir.

112. Evidence and oaths; recognition of laws, public acts and records, and judicial proceedings;
113. Civil procedure, including all matters included in the Code of Civil Procedure at the commencement of this Constitution, limitation and arbitration;
114. Contempt of court, but not including contempt of the Supreme Court;
115. Vagrancy; nomadic and migratory tribes;
16. Lunacy and mental deficiency, including places for the reception or treatment of lunatics and mental deficient;
117. Prevention of cruelty to animals;
18. Adulteration of foodstuffs and other goods;
19. Drugs and poisons, subject to the provision of entry 59 of List I with respect to opium;
120. Economic and social planning;
121. Commercial and industrial monopolies, combines and trusts;
22. Trade unions; industrial and labour disputes;
23. Social security and social insurance; employment and unemployment;
24. Welfare of labour including conditions of work, provident funds, employers' liability, workmen's compensation, invalidity and old age pensions and maternity benefits;
25. Vocational and technical training of labour;
26. Legal, medical and other professions;
127. Relief and rehabilitation of persons displaced from their original place of residence by reason of the setting up of the Dominions of India and Pakistan;
128. Charities and charitable institutions, charitable and religious endowments and religious institutions;
129. Prevention of the extension from one state to another of infectious or contagious diseases or pests affecting men, animals or plants;
130. Vital statistics including registration of births and deaths;
131. Ports other than those declared by or under law made by Parliament or existing law to be major ports;
132. Shipping and navigation on inland waterways as regards mechanically propelled vessels, and the rule of the road on such waterways, and the carriage of passengers and goods on inland waterways subject to the provisions of List I with respect to national waterways;
133. Trade and commerce in, and the production, supply and distribution of;
  - (a) the products of any industry where the control of such industry by the Union is declared by Parliament by law to be expedient in the public interest, and imported goods of the same kind as such products;
  - (b) foodstuffs, including edible oilseeds and oils;
  - (c) cattle feeder, including oilcakes and other concentrates;
  - (d) raw cotton, whether ginned or unginned, and cotton seeds; and
  - (e) raw jute;

<sup>1</sup>Not applicable to the state of Jammu and Kashmir.

<sup>2</sup>In its application to the state of Jammu and Kashmir, for entry 30, the following entry shall be substituted, namely:

"30. Vital statistics in so far as they relate to births and deaths including registration of births and deaths."

<sup>3</sup>Subs. by the Constitution (Third Amendment), Act, 1954, S. 2

34. Price Control;
35. Mechanically propelled vehicles including the principles on which taxes on such vehicles are to be levied;
36. Factories;
37. Boilers;
38. Electricity;
39. Newspapers, books and printing presses;
40. Archaeological sites and remains other than those <sup>2</sup>[declared by or under law made by Parliament] to be of national importance;
41. Custody, management and disposal of property (including agricultural land) declared by law to be evacuee property;
- <sup>3</sup>[42. Acquisition and requisitioning of property];
43. Recovery in a state of claims in respect of taxes and other public demands, including arrears of land-revenue and sums recoverable as such arrears, arising outside that state;
44. Stamp duties other than duties or fees collected by means of judicial stamps, but not including rates of stamp duty;
45. Inquiries and statistics for the purposes of any of the matters specified in List II or List III;
46. Jurisdiction and powers of all courts, except the Supreme Court, with respect to any of the matters in this List;
47. Fees in respect of any of the matters in this List, but not including fees taken in any court.

When a commission or committee is large (like the National Commission on Labour) and its work becomes somewhat unwieldy, it is bifurcated into many study groups or sub-committees. These study groups or sub-committees submit their reports on the specific issues as laid down in their terms of reference. Finally, the main committee or commission takes cognizance of their recommendations and after scrutinizing incorporates them into the main or final recommendations.

The committees which are set up to enquire are also Advisory Committees. They give suggestions to the government and are almost on a par with tribunals which are set up to enquire into a particular accident or disaster, malpractices or maladministration.

The committees to enquire are also empowered to record evidence in camera if circumstances so require and provide protection, if necessary, to a person or persons giving evidence before these. The recommendations of these committees are in the nature of judgement. Investigation is an important function of such committees; e.g., Punjab Commission, appointed by the Government of India "to enquire into the alleged discrimination and differential treatment of Sikhs" in 1961; the Railway Accidents Committee or the Committee on Prevention of Corruption also known as Santhanam Committee; Commission to enquire into the allegations made against Pratap Singh Kairon; Ayyangar Commission to probe into the charges against Bakshi Ghulam Mohammad; Wanchoo Commission currently looking into the alleged acts of irregularities committed by some Ministers of West Bengal Government.

<sup>1</sup>Not applicable to the state of Jammu and Kashmir.

<sup>2</sup>Subs. by the Constitution (Seventh Amendment) Act, 1956, S. 27, for "declared by Parliament by law."

<sup>3</sup>Subs. by s. 26, *ibid*, for the original entry 42.

<sup>4</sup>In its application to the State of Jammu and Kashmir, in entry 45, for the words and figures "List II or List III", the words "this List" shall be substituted.

The committees or commissions to negotiate enquiry into the relations between employees and the employer; they cover a wide field of employment, wages, conditions of service, etc. These committees or study groups and commissions are: Bonus Commission, 1961; Central Wage Board for Cement Industry Committee, 1964; Central Wage Board for Iron and Steel Industry Committee, 1965; Working of Minimum Wages Act Committee, 1965; Commission on the question of adequacy of the dearness allowance admissible to Central Government employees as from December 1, 1965; Calcutta Tramway Workers' Strike Inquiry Committee, 1958; Committee to examine the feasibility of evolving a system of payment by results to certain categories of employees under the Bombay and Madras Port Trust and the Bombay Dock Labour Board, 1960; Dock Workers (Regulation of Employment) Enquiry Committee, 1955; Scavenging Conditions Enquiry Committee, 1957; Third Pay Commission, 1970-73, etc.

The committees or commissions which enquire into administrative deficiencies at the Central, state or local levels are necessary for an efficient and healthy administrative machinery. These are appointed as the case may be by the Parliament, the Prime Minister, Minister of a particular department or ministry etc., e.g., Education Commission; Administrative Reforms Commission; Public Works Department Committee; Expert Committee on Small Pox and Cholera, 1958; Committee on Broadcasting and Information Media, 1964; Committee on Central National Museum; Reviewing Committee for the three Akademies (Sahitya, Lalit and Sangeet Natak) and the Indian Council for Cultural Relations, 1964; Study Team on Centre-State Relations of the Administrative Reforms Commission; Secretariat Procedure Committee, etc.

Commissions appointed by the President under Article 280 (I), 339, 340 & 344 of the Constitution of India, e.g., the Finance Commission which was first constituted after two years of the commencement of the Indian Constitution, Backward Classes Commission, 1955, Official Languages Commission, 1956 etc.

Whenever there is some subject of national importance and for the welfare of the people and there is the feeling among the Members of Parliament that the government is ignoring such an important issue, the Parliament appoints a committee or commission after discussion in both the Houses under Article 246 of the Constitution of India, e.g., Committee of Members of Parliament on Higher Education, 1963; and Committee of Members of Parliament on Education, 1967.

The committees or commissions appointed by the ministries and departments are mainly for that subject assigned to the department and for the welfare of the people or for their own benefit, that is, for proper and efficient administration. For instance, the Reserve Bank of India appointed a Working Group to have expert advice on the appraisal of applications for Term Loans in 1961; the Ministry of Home Affairs appointed a special Working Group on Cooperation for Backward Classes in 1961; the Ministry of Commerce and Industry appointed a Jute Commission in 1962; the Department of Tourism appointed an Ad-hoc Committee on Tourism in 1963; the Planning Commission appointed a Committee on Transport and Coordination in 1963; the Ministry of Education appointed an Emotional Integration Committee in 1961.

Not only this the various Advisory Boards, Councils and Authorities also appoint committees for the benefit of those they serve or for their own improvement. For instance, the National Cooperative Development and Warehousing Board, New Delhi, appointed a Study Team on Cooperative Marketing in 1961; the Central Advisory Board of Education, a permanent Advisory Board, has appointed from time to time a large number of committees and

study teams relating to Education. The Railway Board, also a permanent Advisory Board under the Ministry of Railway has appointed many enquiries, investigation committees, etc., on various subjects relating to Railways.

In 1954 the Central Government made Commission of Inquiry (Assessors) Rules, for assisting and to advise a commission on any matter connected with its inquiry, which is as follows:

### Ministry of Home Affairs

*New Delhi, the 9th April, 1954*

**S. R. O. 1218 :** In exercise of the powers conferred by Section 12 of the Commission of Inquiry Act, 1952 (LX of 1952), the Central Government hereby makes the following rules, namely:

**1. Short Title :** These rules may be called the Commission of Inquiry (Assessors) Rules, 1954.

**2. Definition :** In these Rules, "assessor" means an assessor appointed under these Rules.

**3. Appointment of Assessors :** The Central Government or with the previous approval of the Central Government a Commission, may, from time to time appoint one or more assessors to assist and advise the Commission on any matter connected with its inquiry.

**4. Functions of Assessors :** It shall be the duty of the assessors to assist and advise the Commission on any matter on which the Commission may consult them in course of its inquiry:

Provided that advice tendered by the Assessors shall not be binding on the Commission.

**5. Manner of Consultation with Assessors :** The Commission shall have the power to regulate the manner in which it may consult the assessors. (No. 16/4/54-Judl.)

On July 26, 1955 the Government of India made rules for the issue of and service of summons by a commission of inquiry to persons whose attendance is required either to give evidence or to produce documents, which is as follows:

### Ministry of Home Affairs

*New Delhi, the 26th July, 1955*

**S.R.O. 1676 :** In exercise of the powers conferred by Section 12 of the Commissions of Inquiry Act, 1952 (LX of 1952), the Central Government hereby makes the following rules for the issue and service of summons by a Commission of Inquiry appointed by that Government, namely:

#### Rules

**1.** The Commission may issue summons to persons whose attendance is required either to give evidence or to produce documents.

**2.** Every summons issued by the Commission shall be in duplicate and signed by the Chairman or such person as he empowers in this behalf and sealed with the seal of the Commission;

and it shall specify the time and place at which the person summoned is required to attend and also whether his attendance is required for the purpose of giving evidence or to produce a document, or for both purposes.

3. A person may be summoned to produce a document, without being summoned to give evidence; and any person summoned merely to produce a document shall be deemed to have complied with the summons if he can see such document to be produced instead of attending personally to produce the same.

4. A summons to produce documents may be for the production of certain specified documents or for the production of all documents of a certain description in the possession or power of the person summoned.

5. Every summons shall be served by sending it by post to the person for whom it is intended or in such other manner as the Commission may direct.

6. The provisions of the foregoing rules shall apply, as far as may be, to every other process issued by the Commission. [No. 16/1/55-Judicial (I)]

On May 7th 1960 the Government of India made Rules entitled 'The Central Commission of Inquiry (Procedure) Rules' for issuing notices to persons for giving evidence, recording of evidence, etc. to enquire into the conduct of any person and for cross-examination. The Rule is as follows:

### Ministry of Home Affairs

*New Delhi, the 7th May, 1960*

**G.S.R. 531 :** In exercise of the powers conferred by Section 12 of the Commissions of Inquiry Act, 1952 (60 of 1952), the Central Government hereby makes the following rules, namely:

#### **The Central Commissions of Inquiry (Procedure) Rules, 1960**

1. **Short Title and Application :** (i) These rules may be called the Central Commissions of Inquiry (Procedure) Rules, 1960. (ii) They shall apply to Commissions of Inquiry appointed by the Central Government.

2. **Notice to Persons for Giving Evidence :** (i) The Commission shall, as soon as may be after its appointment:

(a) issue a notice to every person, who in its opinion should be given an opportunity of being heard in the inquiry, to furnish to the Commission a statement relating to such matters as may be specified in the notice;

(b) issue a notification to be published in such manner as it may deem fit, inviting all persons acquainted with the subject-matter of the inquiry to furnish to the Commission a statement relating to such matters as may be specified in the notification.

(ii) Every statement furnished under sub-rule (i) shall be accompanied by an affidavit in support of the facts set out in the statement sworn by the person furnishing the statement.

(iii) Every person furnishing a statement under sub-rule (1) shall also furnish to the Commission along with the statement a list of the documents, if any, on which he proposes to rely and forward to the Commission, wherever practicable the originals or true copies of such of the documents as may be in his possession or power and shall state the name and address of the person from whom the remaining documents may be obtained.

3. **Recording of Evidence :** (i) The Commission shall examine all the statements furnished to it under rule 2 and if, after such examination, the Commission considers it necessary to record evidence, it shall first record the evidence, if any, produced by the Central Government and may thereafter record in such order as it may deem fit:



(a) the evidence of any person who has furnished a statement under Rule 2 and whose evidence the Commission, having regard to the statement considers relevant for the purpose of the inquiry;

(b) the evidence of any other person whose evidence, in the opinion of the Commission, is relevant to the inquiry.

(ii) If, after all the the evidence is recorded under sub-rule (1) the Central Government applies to the Commission to recall any witness already examined or to examine any new witness, the Commission shall, if satisfied that it is necessary for the proper determination of any relevant fact so to do, recall such witness or examine such new witness.

4. **Persons Likely to be Prejudicially Affected to be Heard :** If, at any stage of the inquiry the Commission

(a) considers it necessary to inquire into the conduct of any person ; or

(b) is of the opinion that the reputation of any person is likely to be prejudicially affected by the inquiry, the Commission shall give to that person a reasonable opportunity of being heard in the inquiry and to produce evidence in his defence.

5. **Right of Cross-Examination and Representation by Legal Practitioner :** The Central Government, every person referred to in rule 4 and with the permission of the Commission, any other person whose evidence is recorded under rule 3;

(a) may cross examine a witness other than a witness produced by it or him;

(b) may address the court; and

(c) may be represented before the Commission by a legal practitioner or, with the consent of the Commission, by any other person.

6. **Procedure in Matters Not Provided in the Rules:** The Commission shall have the power to regulate its own procedure in respect of any matter for which no provision is made in these rules.

(No. F. 25/8/60-AYD.)

## CONCLUSION

To conclude, committees and commissions are always advising the government, offering valuable suggestions and recommendations to run smoothly and efficiently the administration for the welfare of the people.

The staff of committee or commission comprises:

Chairman, Members and Member-Secretary (sometimes there is also an Assistant Secretary). In some cases there are one-man commissions, and the inquiry is entrusted to an Officer-on-Special Duty, e.g., Shri L.S. Mishra was appointed as Officer-on-Special Duty for the Bellary Taluk Commission, 1953; Shri S.R. Das was appointed by the Government of India as Chairman of the one-man Commission on the Question of Adequacy of the Dearness Allowance Admissible to Central Government Employees from December 1, 1965.

The Chairman of a commission is mostly a person well-versed in legal affairs and is often a retired Judge of a High Court or the Supreme Court of India. Occasionally, a Member of Parliament is also appointed Chairman of a Commission.

The Members of a Commission or Committee are specialists in their respective fields and provide valuable guidance to the Commission in making its recommendations.

The Member-Secretary is nominated from among the experienced officials who have the requisite competent knowledge of the subject on which the committee or commission is appointed.

The study of committees and commissions is divided into two main parts:

- (i) Pre-Independence: from 1772 to August 1947; and
- (ii) Post-Independence: from August 1947 to 1973.

The present volume covers the period from August 1947 to 1954.

I am sure this reference work is of a nature the like of which has not been undertaken before. I have spared no efforts to make it a comprehensive reference tool and the work will be of great use to the research scholars, sociologists, historians, students of political science and all those connected with the study of administration and legal affairs. If there are any omissions or errors I may be forgiven as it is a work of pioneering nature undertaken single handedly. But, I am bound to cover up any lacunae in its future editions.

The work gives information on:

- (i) Bibliographical data of the committees and commissions.
- (ii) Chairman, Members, etc. of the Committees and Commissions.
- (iii) Appointment.
- (iv) Terms of Reference.
- (v) Contents; and
- (vi) Recommendations.

In the end, I would be failing in my duty if I do not pay homage to Late Padmashri Dr. S.R. Ranganathan, a great librarian and a world renowned personality in the field of Library Science, who inspired me to undertake this work. I must also express my gratitude to Shri D.R. Kalia, Director, Central Secretariat Library, New Delhi for his valuable guidance without which it would not have been possible for me to bring out this work. I am also indebted to Shri J.C. Shrivastava, Librarian, National Archives of India, New Delhi, who has helped me a lot in the process of compilation of this work. I am thankful to the Ministry of Education and Social Welfare, Department of Culture, Government of India, for giving me permission to publish this reference work. Heartfelt thanks are also due to my friends and colleagues for their constant help and encouragement. I also owe a debt of gratitude to my wife who at sacrifice of much personal comfort provided every facility to finalise this work within a reasonably short time.

NEW DELHI

*Deepavali*

November 13, 1974.

VIRENDRA KUMAR

# 1947

## COMMITTEE ON MEASUREMENT OF GEOLOGICAL TIME IN INDIA 1947—REPORT

New Delhi, Council of Scientific and Industrial Research, 1954. 23p.

Chairman : Dr. D. N. Wadia.

Members : Prof. C. Mahadevan; Prof. R. S. Krishnan; Dr. O. A. Hoeg; Dr. S. C. D. Sah.

### APPOINTMENT

Recognizing the importance of geochronological studies the Council of Scientific and Industrial Research constituted, in 1947, a Committee on Measurement of Geological Time in India.

### TERMS OF REFERENCE

To organize, systematize and finance schemes of research on the subject.

### CONTENTS

Introduction by Dr. D. N. Wadia; Investigations on the Age of Madras Granites and South Indian Rocks by Prof. C. Mahadevan; Age Determination of Crystal Rocks by Radioactive Methods by Prof. R. S.

Krishnan; Palaeobotanical Investigations by Dr. O. A. Hoeg and Dr. S. C. D. Sah.

### RECOMMENDATIONS

On the recommendation of the Committee, the Council approved a plan for initiating the following research schemes in four institutions:

(1) Investigations on the uranium, thorium and radium contents of Madras Granites, Gneisses, etc.—Professor C. Mahadevan, Geology Department, Andhra University, Waltair, and Professor R. S. Krishnan, Indian Institute of Science, Bangalore.

(2) Chemical analysis of radioactive minerals from Gaya and Nellore Districts—Professor P. B. Sarkar, University College of Science, Calcutta.

(3) Palaeobotanical research—Birbal Sahni Institute of Palaeobotany, Lucknow.

The work carried out in these institutions is recorded in technical papers and reports.

# INSURANCE ADVISORY COMMITTEE, POST-WAR SUB-COMMITTEE

## 1947—REPORT

New Delhi, Insurance Advisory Committee, 1947. 26p.

**Chairman :** Shri L. S. Vaidyanathan.

**Members :** Shri M. A. Aziz Ansari; Shri J. C. Setalvad; Shri S. C. Majumdar; Shri N. V. Nayudu; Shri T. C. Kapur; Shri T. M. Sturgess; Shri Ashutosh Banerjee; Shri K. M. Naik; Shri K. C. Desai.

**Secretary :** Shri A. Rajagopalan.

### APPOINTMENT

The Insurance Advisory Committee, Post-War Sub-Committee, was constituted under the Government of India in 1947.

### TERMS OF REFERENCE

To consider "all the problems relating to post-war India", to the comparatively narrow field covered by voluntary insurance as transacted commercially by private companies ; to explore the various other fields of insurance which are usually the responsibility of the State.

### CONTENTS

**Part I :** Introduction; Limitations of Planning; Insurance Publicity; Improved Service to Policyholders; Insurance Education Library and Research; Mortality Investigation; Medico-Actuarial Investigation; Birth and Death Statistics; Limitation of Expenses; Amalgamation and Transfer; Investment Policy; Capital Structure and Voting Rights; Dividends; Taxation; Additional Reserves in the Case of Non-Life Companies; Losses due to War; Re-insurance Facilities for Non-Life Companies; Non-Medical Business; Provident Societies.

**Part II :** Minutes of Dissent.

### RECOMMENDATIONS

We feel that there are directions in which the field of insurance is so far unexplored in this country and these should be explored if the country is to ensure progressive economical improvement to the utmost limit possible. For example, cattle insurance is almost unknown in this country at present. Some years ago there were a number of cattle insurance co-operative societies in the rural districts of the Bombay Presidency and the Punjab, but they all failed, firstly, because of the absence of adequate and reliable statistics on which to base operations, and, secondly, because the manage-

ment of the societies left much to be desired in the matter of efficiency. We think that a fresh well-planned start should be made in this direction, and we strongly recommend that for this purpose the Imperial Council of Agricultural Research should be requested to collect suitable statistics so that in 5 to 10 years' time adequate statistical material may become available without which the venture might prove a leap in the dark.

Crop insurance is another direction in which this country is very much backward. We strongly recommend that the Imperial Council of Agricultural Research should be requested to collect the relevant statistics for this purpose. Credit insurance and export insurance are two which this country might usefully adopt even now.

One direction in which we feel action can be taken is introduction of compulsory insurance of factory workers.

Concerted measures are necessary to make the public acquainted with the benefits of insurance and to make them more "insurance-minded".

It has been suggested that the publicity work could best be undertaken by a board more or less similar to the Indian Coffee Board and supported by a levy from all insurers. There is no necessity to associate the Government in this matter at least at this stage, and that the publicity could be achieved by voluntary joint effort on the part of all insurers. With a view to bringing in all insurers into the scheme, a board should be set up jointly by all the associations of insurers and this board entrusted with the scheme and its detailed working. Insurers who are not members of any of the associations should also be invited to join the scheme and contribute towards its expenses.

The creation of a joint medical research board to be financed by all insurers which will study diseases and suggest preventive measures. The measures that are suggested will have to take into account the conditions in this country which differ widely from those obtaining in other countries due to climatic and economic differences and should utilize to the utmost the indigenous resources so as to be within the reach of the poor masses of this country.

Satisfactory service to the policy-holders can be rendered only if the insurer has a well-trained staff. The aim should be to bring into being an institute like

the Chartered Insurance Institute of the United Kingdom. This Institute should provide an efficient tuition service, both oral and correspondence. It should also be an examining body the diplomas of which should be recognized by insurers as well as by the Government. Insurers should encourage their staff to appear at these examinations and success in these should be rewarded as is done in other advanced countries by increased salaries and improved prospects.

It is also very desirable to have a Central Organization which would keep up-to-date information regarding all matters in the investment field and circulate the information to all insurers who desire to have it and are prepared to pay for it. This matter can also be entrusted to the proposed Institute or its Department which is in charge of the library and research.

A combined mortality table will furnish a better standard with which the individual experience of each company can be usefully compared. It is recommended that the work of compiling such a table should be undertaken by a committee of actuaries under the auspices of all the associations of life insurers.

In addition to a mortality investigation it is highly desirable to have a combined medico-actuarial investigation on the lines of the one made in the United States of America a few years ago.

Necessary steps should be taken by the Government without any delay to ensure the keeping of accurate births and deaths records in the country.

To help the insurers to reduce expenses limitation of commission of licensed agents and chief agents will also be necessary. We also recommend that the intermediaries between the branch office or the chief agent and the insurance agent should be restricted to the barest minimum on the basis of the volume of business and the number of agents, the aim being to have only bona fide intermediaries. Our recommendations accordingly are :

- (i) Further limitation of agent's commission.
- (ii) Limitation of chief agent's commission.
- (iii) Limitation of number of intermediaries.
- (iv) Limitation of over-all expenses.

The high expense ratios of many insurance companies in India is that they are too small and therefore are uneconomic units. We recommend that they should combine with strong units.

We recommend that the principle already adopted in the case of the Reserve Bank of India, namely, that no shareholder can have more than a certain number of votes irrespective of his holding, should be followed

in the case of insurance companies transacting life insurance business and that the maximum number of votes may be fixed at 10. To prevent some insurers getting round this provision by raising the face value of the share we also recommend that the face value of each share should not be allowed to be changed so as to exceed Rs. 100.

Both life and general insurance companies should be adequately capitalized before they commence underwriting business.

We recommend legislation to the effect that no insurer can utilize more than 10% of the surplus for the benefit of shareholders.

With the present high rates of taxation we feel that the companies will not be able to build up Additional Reserves of an appreciable size within a reasonable period in the future unless transfers to such reserves are exempt from taxation.

If any portion of the Additional Reserves is transferred to the Profit & Loss Account at any time that portion should be subject to tax.

It is well known that Indian insurers who have been carrying on business in enemy-occupied territories have suffered losses due directly or indirectly to the acts of the enemy. It is too early to say whether these insurers will be able to get any compensation for these losses suffered but it is suggested that some arrangement should immediately be made whereby full information can be collected in regard to the details of all such losses so that when the time of signing the peace treaty comes, necessary information might be readily available.

Two points referring to provident societies, however, need specific mention. One is the necessity of raising the limit of the sum assured by the policies which provident societies are entitled to issue. The limit holding at present, viz., Rs. 500, is in our opinion too low to enable provident societies to transact business economically. We recommend that the limit should be raised to Rs. 900 and as a corollary the lower limit for insurers should be raised to Rs. 1,000. This lower limit should also apply to mutual insurance companies. Co-operative life insurance societies may, however, continue to enjoy their present privilege of issuing policies for any amount.

The other point relates to Section 85 of the Act. We recommend that the "Government Securities" referred to in that Section should be replaced by "approved securities" and the latter expression should include the items already recommended for inclusion for the purposes of Section 27.

# OVERSEAS SCHOLARSHIPS COMMITTEE, 1947—REPORT

New Delhi, Ministry of Education, 1949. 15p.  
(Bureau of Education, India, Pamphlet No. 52)

Chairman : Dr. B. C. Roy.

Members : Dr. M. J. Bhaba; Dr. B. B. Dey; Prof.  
N. K. Sidhanta.

## APPOINTMENT

The Committee was appointed by the Hon'ble Minister for Education to enquire into the progress and scope of the Overseas Scholarships Scheme which was initiated in 1945 and to make recommendations for effective improvements in the year 1947.

## TERMS OF REFERENCE

(a) To consider whether, in the light of the experience gained since the scheme was initiated in 1945, the award of Government Scholarships is serving the purpose for which it was established and whether, having reference to the prospects of their being absorbed in suitable employment and of facilities for training becoming available in India, the number of scholars to be sent abroad in 1948 and the subsequent years should be increased or reduced and whether the range of subjects should be enlarged. If so, to what extent ;

(b) To consider further what avenues of study in the different branches are available or may be available in India if the existing institutions in the country are developed with suitable help from the Government;

(c) To consider what modifications, if any, may be desirable in the existing arrangements for inviting applications, selecting candidates, placing them in training institutions abroad, and generally supervising their welfare while overseas;

(d) To consider what arrangements should be made in this country to ensure that scholars who have successfully completed their courses abroad are absorbed without delay in suitable employment on their return;

(e) To consider what steps should be taken to co-ordinate the Overseas Scholarships Scheme with any existing arrangements by other Government Department or by any University for sending persons abroad for advance training.

## CONTENTS

Preface; Report of the Overseas Scholarships Committee; Selection of Candidates.

## RECOMMENDATIONS—SUMMARY

As hardly any of the scholars sent abroad under the Overseas Scholarships Scheme has returned to India, it

is felt that it is still too early to indicate whether or not this Scheme has succeeded in achieving its aim. But it will be seen from observations made above that the operation of the Scheme can be greatly improved if effect is given to our recommendations. In observing this we, however, recognize the fact that the Overseas Scholarships Scheme has so far worked under abnormal conditions due to World War II and that the Ministry of Education have had to surmount enormous difficulties which arose out of the War during the last three years.

The proposals we have made, if followed, would reduce the possibility of any person coming back after training abroad not being absorbed in suitable employment.

It is difficult for us, with the information at our disposal, to give any categorical answer as to the extent to which the requisite facilities for training in India in the subjects for which scholarships have been given (or will be given) will become available in India either in 1948 or in the near future. As we have indicated above, the main objective of the Scheme should be provision of personnel for the upgrading of the existing institutions and the starting of new ones. This will, in time, reduce the total number of scholars to be sent abroad. We would ask the Ministry of Education to make proper enquiries as to the conditions of existing institutions and the possibility of opening new ones. These enquiries should include the facilities now obtaining in the Universities and in technical and teaching institutions in this country.

It is not possible for the Committee, within the short period of time at its disposal, to give definite opinion as to the extent to which study in the different branches may be available in India if the existing institutions in the country were developed with suitable help from the Government. This question can only be answered if the enquiries suggested [in Paragraph (iii) above] have been made and the findings are put before the Committee. In this connection it is understood that information of this type is also being collected by the Scientific Manpower Committee.

We have indicated certain modifications which are desirable in the existing arrangements for inviting applications, selecting candidates, and placing them in training institutions abroad, and generally supervising their welfare.

The Ministry of Education should get in touch with the Universities and other teaching institutions in order to find out to what extent they would co-ordinate and co-operate with the Overseas Scholarships Scheme for sending persons abroad for advanced training so that overlapping of effort and wastage might be avoided. As far as the Departments of the Central and Provincial Governments are concerned, we have already stated that all Overseas Scholarships should be administered by one agency except in the case of the Ministry of Labour's Scheme.

The Government asked us whether we were in a position to indicate the desirability of extending or curtailing the scope of the Overseas Scholarships Scheme.

Bearing in mind the real aim of the Scheme and assuming that the methods of choosing scholars which have been explained fully in paras 7, 8 and 16 are put into effective operation, we are of the opinion that the total number of scholarships may with advantage be reduced progressively, in the course of the next five years, to about half of that awarded now. The money so saved might be utilized for giving opportunities to students in existing Indian institutions to hear and be taught by eminent foreign scholars. Experience during the last two years has shown that while the top men in any country cannot be spared for long periods, most of them are willing and able to come out to India for a few months or even a year. Courses of lectures at Universities and research institutions by eminent foreigners invited by the Ministry of Education on the advice of the institutions concerned would be of inestimable value not only in imparting knowledge on the subjects which may not be very advanced in India but in raising the general level of teaching and education

in the country. Indeed, we are of the opinion that it may be desirable to appoint a special committee to devise a machinery for putting this suggestion into operation as a regular feature of our higher educational system, and although such a project would be outside the scope of this Committee and its modifications in the method of operating the Overseas Scholarships Scheme.

We have carefully considered the present system of providing scholarships for overseas training on the basis of the Home Ministry's circular regarding representation of communities in service. In view of the fact, however, that the scholars sponsored by the Government would be persons who on return are to be the leaders of scientific and educational development of the country, we are definitely of the opinion that merit alone should be the basis on which scholarships should be awarded. Instructions may, however, be given to the Selection Boards to give preference to candidates belonging to a community which is educationally backward in cases where two or more candidates are available possessing roughly equal qualifications and ability. If this point of view is accepted by the Government of India and the Ministry of Education, then corresponding instructions should be issued to the Provincial Governments, the Universities and the Industry, to be followed in choosing Scholars sponsored by these bodies.

Finally, we desire to thank all the Ministries of the Government for co-operating with us in arriving at our conclusions, and our special thanks are due to the Ministry of Education for giving us facilities for making the enquiry and placing our findings before the Government.

## EXCLUDED AND PARTIALLY EXCLUDED AREAS (OTHER THAN ASSAM) SUB-COMMITTEE, 1947—FINAL REPORT

New Delhi, Constituent Assembly, 1947. 69p.

**Chairman :** Shri A. V. Thakkar.

**Members :** Shri Nipal Singh; Shri Devendra Nath Samanta; Shri Phul Bhanu Shah; The Hon'ble Dr. Profulla Chandra Ghosh; Shri Raj Krushna Bose.

**Co-opted Members :** Shri Khetramani Panda—Phulbani Area; Shri Sadasiv Tripathi—Orissa P.E. Areas; Shri Kodanda Ramlah—Madras P.E. Areas; Shri Sneha Kumar Chakma

—Chittagong Hill Tracts; Shri Damber Singh Gurung—Darjeeling District.

**Secretary :** Shri R. K. Ramadhiyani.

### APPOINTMENT

The Excluded and Partially Excluded Areas (Other Than Assam) Sub-Committee had been set up by the Advisory Committee on Minorities and Fundamental Rights, etc., in their meeting held on February 27,

1947, in pursuance of paragraphs 19(IV) and 20 of the Cabinet Mission's Statement dated May 16, 1946.

## TERMS OF REFERENCE

The terms of reference of the Sub-Committee were in pursuance of paragraphs 19(IV) and 20 of the Cabinet Mission's Statement dated May 16, 1946.

## CONTENTS

Introductory; Bihar; United Provinces; East Punjab; A Central Department; Recruitment to Armed Forces; Village And Tribal Headmen; Non-Official Welfare Organizations; Officials to Learn Tribal Languages; Minute of Dissent; Note by Chairman on Minute of Dissent by Shri Jaipal Singh.

## RECOMMENDATIONS—SUMMARY

Tribes who live in the non-excluded areas as part of the problem and the tribes as a whole should be treated as a minority. Tribals should have reserved seats in a joint electorate based on adult franchise in proportion to their population. One representative each is recommended for the Laccadive, Amindivi and Minicoy Islands, respectively, in the Madras Legislature and one for the Lahaul and Spiti Waziris in the East Punjab Legislature.

It will be necessary to provide for the exclusion of unsuitable legislation in such matters as land, village management and social customs in certain areas inhabited predominantly or to an appreciable extent by tribals. These areas will be known as Scheduled Areas.

Legislation in such matters as land and social customs should not be applied to Scheduled Areas if the Tribes Advisory Council advises to the contrary.

Simplified procedure should be continued for the disposal of petty criminal and civil cases.

Seats should be reserved in the Federal Legislature on the basis of the tribal population of the Province. A Tribal Advisory Council should be set up with a minimum of 10 and a maximum of 25 members in Madras, Bombay, Bengal, Bihar, C.P. and Orissa.

There should be provision for the Federal Government to institute a special commission to enquire into the progress of plans of development and also into the conditions of the Scheduled Areas and tribals in general.

It will be necessary for the Central Government to come to the assistance of Provincial Governments for the execution of schemes of development by providing the necessary funds. The Central Government should also be in a position to require Provincial Governments to draw up schemes for the Scheduled Areas.

The revenues derived from and the expenses incurred on the Scheduled Areas from the Provincial budget

should be shown separately in the annual financial statement of the Province.

It should be the Governor's responsibility to see that schemes of development are drawn up and implemented.

There should be a separate Minister for Tribal Welfare in C.P., Orissa and Bihar, and provision for this should be contained in the statute.

There should be a due proportion of aboriginals recruited into the various Government Services. A separate service is not recommended but non-tribal officials posted to the Scheduled Areas should be selected with care.

Tribal panchayats should be encouraged wherever possible.

Shifting cultivation should be discouraged.

Temperance propaganda should be carried on as part of tribal welfare work.

The alienation of land belonging to tribals to non-tribals should be prohibited. Allotment of new land in Scheduled Areas should not be made to non-aboriginals except in exceptional cases.

There should be provision for control of money-lenders by a system of licensing.

Sambalpur, Angul and Darjeeling and certain areas in Bombay need not be treated as Scheduled Areas. In Bihar the three districts of Ranchi, Singhbhum, and Santhal Parganas only, where the tribes are in a majority, are included in the Schedule provisionally. The U.P. and Punjab areas are not included.

## Bihar

We consider it necessary in addition to refer to certain matters connected with the administration of this, the largest compact block of territory comprising any excluded area in India, which came to our notice during our tour. To begin with, the Christian section of the tribals, though small in number, is educationally and economically far in advance of the non-Christian tribals. The demand for education among non-Christians is said to be negligible and this presumably is the result of their economic backwardness which makes it necessary that children should assist their parents in earning their livelihood. There are, however, allegations that the Christian teachers and educational officials encourage only Christian children, and as a good number of the schools are run by Christian Missions, non-Christians lack facilities for education. The Christians again appear to be much better organized and vocal and they are found to take a prominent part in local and political organizations. The other striking feature of this area is the feeling common among educated tribals and shared by non-tribals in considerable measure that Chota Nagpur has little



share in the administration commensurate with its area, population and industrial importance and is being neglected by the Government which is made up of elements interested mostly in the rest of Bihar. Certain non-aboriginal witnesses have expressed their views of the neglect of Chota Nagpur in no uncertain terms and suggested that the ameliorative measures claimed by the Government are purely defensive action prompted by the separation movement. Even when the Government is supposed to be resident at Ranchi, it is given as concrete proof of their lack of interest that they are mostly absent on tour in areas other than Chota Nagpur in which they are interested. Dr. Sinha has also stated that the present Government has yet to do something "to capture the imagination of the people" and that under the present practice "the Hon'ble Ministers stay for a very short period at Ranchi—at their own will and convenience—and do not usually visit so much the aboriginal areas as they do those of the other three Divisions of Bihar". We have referred to these statements not because we are in agreement with them or with a view to adjudicating on them but purely as indicative of the local atmosphere. Dr. Sinha has referred to the absence of the aboriginal element in the Ministry and has recommended reconstitution.

The extreme expression of the discontent prevalent in Chota Nagpur is the separation movement which demands the formation of a new province of Jharkhand out of the partially excluded area. This movement is sponsored at present by the Adibasi Mahasabha containing a very large advanced or Christian element but in Singhbhum and in the Santhal Parganas also, a good proportion of non-Christians seems to have been affected by it. To borrow Dr. Sinha's words it is "capturing the imagination" of the tribals. Unmistakably also the movement is gaining sympathy among the non-aboriginals; and even if it be partly due to mere local ambition, the virtual exclusion of tribal elements from the Cabinet has undoubtedly contributed much to it. We have already held in our interim report that the question of the formation of a separate province is not for us to tackle but we would invite the attention of the Provincial and Central Governments to the separation movement, which seems to be gaining strength, as a symptom of the discontent which is simmering in varying intensity among all sections of the Chota Nagpur population. At the same time we have noticed that the Cabinet of the Bihar Government and such an eminent public man as Dr. S. Sinha oppose the separation movement on grounds very well shown in the brochure of Dr. Sinha. We have also received a number of telegrams from these areas saying that they thoroughly disapprove of the separatist movement.

We are inclined to the view, which seems to be shared by Dr. Sinha also, that there should be adequate

association of the people of the partially excluded areas, particularly the tribals, in the different branches of the administration including the Cabinet and that there can be neither satisfaction nor adequate progress until this is done. In short, the problem of administration in this tract must be dealt with not only by economic and educational improvements but also by remedies which recognize its political and psychological aspects; and we would lay the maximum emphasis on the urgency of action in both these directions.

#### United Provinces

As regards the partially excluded areas of the United Provinces, viz., the Jaunsar-Bawar Pargana in Dehra Dun District and the area comprising the Dudhi Tahsil and part of the Robertsganj Tahsil of Mirzapur District, we find that both of these comparatively small areas are suffering from serious neglect. Although a Committee was set up as early as 1939 to enquire into the administration of the Jaunsar-Bawar Pargana and a report was submitted by it in 1941, it is a matter for regret that no action has yet been possible although the report was ultimately made only by the official members of the Committee. We understand that another Committee has been appointed recently this year to go into the matter by the Provincial Government and hope that speedy action will be taken on its report. The main matters which require attention in this area are as follows:

(1) The fixation and collection of land revenue and distribution of "right timber" through the agency of the Sayanas as well as the position of the Sayana in the village panchayat which gives rise to a great deal of oppression.

(2) Survey and resettlement of the area and removal of restrictions on the possession of land and reclamation of the waste land by Koltas (local depressed castes of Hindus).

(3) The elimination of social evils like polyandry and venereal disease.

In the partially excluded area of Mirzapur District which is inhabited by a majority of tribals, we find that the administration is of a pretty primitive character. The figures given in the U.P. Government's factual memorandum for the Dudhi Government Estate which are shown below indicate that the revenue from it is not utilized to the extent of even two-fifths of the administration of the area.

Year	Income	Expenditure
1944-45	1,64,430	83,421
1945-46	2,96,002	88,002
1946-47	2,34,797	89,854
Total	6,95,229	2,61,277 i.e. 33% of the income

We would draw particular attention to the statement of witnesses that a very large percentage of the population of this area is suffering from venereal diseases. In Dudhi Estate the U.P. Government noted that there is a passage of land from the hands of the aboriginals to the non-aboriginals. It would appear that the rules of Dudhi Estate are ineffective in preventing this since land can be surrendered to the Supurdar who re-allots the same to another person, most probably a non-aboriginal. Such a transfer unfortunately does not require the approval of the S.D.O. or the Collector. It does not appear that suitable steps have been taken to put a stop to this. Among other complaints are the working of the monopoly given to Messrs. Gladstone Wyllie & Co., Ltd., for the collection and sale of lac which is terminable in the year 1952. The working of this monopoly under which only about one-seventh, or if the price realized by the Company for the sale of the lac is obtained by the aboriginal cultivator, tends to keep the aboriginal in a miserable condition. It does not appear to us that the Government has any comprehensive or fully considered programme for this area as yet.

The population of this tract is very small (4%) in comparison with the total population of the United Provinces. We would not on that account recommend for its future administration the proposals which we have recommended for some of the backward tracts of other Provinces, but we are equally definite that special provisions for its development are essential, as without them it is certain that due attention will not be paid to its needs. Similarly although the inhabitants of the Jaunsar-Bawar Area, as pointed out in our interim report, are not tribals by race and we do not recommend inclusion in the schedule of our Interim Report, special provisions are necessary for this area also. We recommend therefore Constitutional provisions for both of these tracts as follows :

(1) There should be an advisory committee consisting of tribals or backward people to the extent of not less than two-thirds of its membership to advise the Government on the development of the area ;

(2) The estimated revenue and expenditure (including development schemes) pertaining to the area should be shown separately in the Provincial budget;

(3) Although general administration of the type in force in other districts may be applied to the tract, the trial of petty civil and criminal cases should be permissible under special regulations ;

(4) There should be provision in the Constitution prohibiting the transfer of land from aboriginals to non-aboriginals except with the sanction of an authorized officer ;

(5) The powers of Supurdars in the Dudhi area of Mirzapur District to allot waste lands and accept

surrender of land should be withdrawn and in Jaunsar-Bawar the system of Sayanas should be abolished and the Sayanas replaced by Government employees ;

(6) The U.P. Government should report to the Central Government annually or as may be required by the Central Government regarding the administration of this area and abide by its directive;

(7) There shall be one seat reserved in the Provincial Assembly for a tribal from the area of Mirzapur District which is now partially excluded.

#### East Punjab

The disturbed conditions in the East Punjab have prevented the appearance of witnesses from Spiti and Lahaul before us and it is equally not possible for us to visit the area. It is unlikely that settled conditions will prevail in the Punjab before the passes are blocked and we do not propose therefore to postpone our recommendations which will now be based on the factual memorandum sent by the Provincial Government.

We consider that Constitutional provisions should be made as follows :

(a) An Advisory Committee of which at least two-thirds shall be local residents shall be set up to advise the Provincial Government regarding the administration of Lahaul and Spiti.

(b) The Provincial Government may declare any law passed by the Federal or Provincial Legislature as not applicable to the tracts or applicable with specified modifications.

(c) The Provincial Government may make special regulations for the administration of criminal and civil laws and the protection of rights of local Tibetan inhabitants in land.

(d) The Provincial Government shall report to the Central Government annually or as may be required by the Central Government regarding the administration of this area and abide by its directive.

(e) We confirm the recommendation made in paragraph 9 of the Interim Report that there should be a representative for Lahaul and Spiti in the Provincial Legislature.

#### A Central Department

After surveying the position in all the Provinces, we have been forced to the conclusion that unless there is a separate department of the Federal Government prescribed by the statute to supervise and watch the development of the scheduled areas and the tribals in the different Provinces and to furnish such advice and guidance as may be needed, the pace of progress of the tribes will not be sufficiently swift. The Central Government has already recognized the need for a Directorate of Anthropological Survey and we recom-

mend that provision for a Central Department of Tribal Welfare should be made in the Constitution.

#### Recruitment To Armed Forces

We are also of the view that special attention should be paid to the recruitment of the tribals to the armed forces of India. The tribes people can in our opinion furnish valuable material for this purpose as experience in the last war goes to show.

#### Village And Tribal Headmen

During the course of our enquiry many complaints of oppression and mishandling of the tribes people by the hereditary chiefs or heads of villages like the Mustadars, Bissois and Paros and Muthadars of South Orissa, the Parganais and Pradhans of the Santhal Parganas and the Mankis and Mundas of Singhbhum have reached us. We are of the view that a general review of the powers and functions of such village or tribal heads should be undertaken by the Provincial Government with a view to removing the grievances of the tribal villagers, the abolition of powers which

are exercised in an oppressive manner and the general reform of these ancient systems.

#### Non-Official Welfare Organizations

We recommend that the Provincial Governments should utilize the services of approved non-official organizations which are at present doing welfare work in the Provinces for the tribals or which may hereafter come into existence by giving them grants-in-aid with a view to supplementing the volume of development work.

#### Officials To Learn Tribal Languages

We have found that officials posted to aboriginal areas rarely know the local language. This obviously does not conduce to satisfactory administration and we are of the view that it should be made compulsory for officials posted to the aboriginal areas to obtain a working knowledge of the language within a reasonable period. Proficiency in these languages or dialects should be encouraged by the grant of suitable awards.

## NORTH-EAST FRONTIER (ASSAM) TRIBAL AND EXCLUDED AREAS SUB-COMMITTEE, 1947—REPORT

### Delhi, Manager of Publications, 1950. 2 Vols.

**Chairman :** The Hon'ble Mr. Gopinath Bardoloi.  
**Members :** The Hon'ble Rev. J. J. M. Nichols-Roy;  
 The Hon'ble Shri Rup Nath Brahma;  
 Shri A. V. Thakkar; Shri Aliba Imti (has not been able to attend the meeting to sign the report).

**Co-opted Members :**

Shri Khawtinkhuma	{	Co-opted for
Shri Saprawng		Lushai Hills Area
Shri Harison W. Momin	{	Co-opted for
Shri Mainram Marak		Garohills Area
Shri S. S. Engti	{	Co-opted for
Shri K. S. Terang		Mikir Hills Area
Shri Kezehol (has since resigned the membership)	{	Co-opted for
Shri Khelhoshe		Kohima Area
Shri Swat Daulagopu	{	Co-opted for
Shri C.T. Ntanga Biete		Haflong Area
Shri Josing Rynja	{	Co-opted for
Shri Larsingh Khyriem		Khasi & Jaintia Hills Area

**Secretary :** Mr. R. K. Ramadhiyani.

#### APPOINTMENT

The North-East Frontier (Assam) Tribal and Excluded Areas Sub-Committee was appointed by the Advisory Committee on Minorities' Fundamental Rights, etc., to the Constituent Assembly of India in their meeting held on February 27, 1947, in pursuance of paragraphs 19 (IV) and 20 of the Cabinet Mission's Statement dated May 16, 1946.

#### TERMS OF REFERENCE

The Sub-Committee was to look into paragraphs 19 (IV) and 20 of the Cabinet Mission's Statement dated May 16, 1946.

#### CONTENTS

**Part I :** Introductory; General Description; Development; Hill People's View; Special Features; Political Experience; Provisions of 1935 Act; Future Policy; The Hill People's Land; Forest; Jhumming; Civil and Criminal Courts; Other Local Self-

Governments; Finance; Control of Immigration; Mines and Minerals; Legislation; Regional Councils; Emergency Provisions; The Frontier Tracts; Representation; The Provincial Ministry; The Services; A Commission; Plains Tribals; Boundaries; Non-Tribal Residents; Transitional Provisions; Appendix A; Appendix B.

**Part II :** The Balipara Frontier Tract; The Sadiya Frontier Tract; The Lakhimpur and Tirap Frontier Tract; Naga Hills District; Lushai Hills District; The North Cachar Hills Sub-Division; Khasi and Jaintia Hills; The Garo Hills; The Mikir Hills; Summary of Recommendations of the Sub-Committee.

## RECOMMENDATIONS—SUMMARY

District Councils should be set up in the Hill Districts (see Section B of Appendix A) with powers of legislation over occupation or use of the land other than land comprising reserved forests under the Assam Forest Regulation of 1891 or other law applicable. This is subject to the proviso that no payment would be required for the occupation of vacant land by the Provincial Government for public purposes and private land required for public purposes by the Provincial Government will be acquired for it on payment of compensation.

Reserved forests will be managed by the Provincial Government in question of actual management including the appointment of the forest staff and the granting of contracts and leases, the susceptibilities and the legitimate desires and needs of the Hill people should be taken into account.

On account of its disastrous effects upon the forest rainfall and other climatic features, Jhuming should be discouraged and stopped wherever possible but the initiative for this should come from the tribes themselves and the control of Jhuming should be left to the Local Councils.

All social law and custom is left to be controlled or regulated by the tribes. All criminal offences except those punishable with death, transportation or imprisonment for five years and upward should be left to be dealt with in accordance with local practice and the Code of Criminal Procedure will not apply to such cases. As regards the serious offences punishable with imprisonment of five years or more they should be tried henceforth regularly under the Criminal Procedure Code. To try such cases, powers should be conferred by the Provincial Government wherever suitable upon Tribal Councils or courts set up by the District Councils themselves.

All ordinary civil suits should be disposed of by Tribal Courts and Local Councils may have full powers to deal with them including appeal and revision,

Where non-tribals are involved, civil or criminal cases should be tried under the regular law and the Provincial Government should make suitable arrangements for the expeditious disposal of such cases by employing circuit magistrates or judges.

District Councils should have powers of management over primary schools, dispensaries and other institutions which normally come under the scope of local self-governing institutions in the plains. They should have full control over primary education. As regards secondary school education, there should be some integration with the general system of the Province and it is left open to the Provincial Government to entrust Local Councils with responsibility for secondary schools wherever they find this suitable.

For the Mikir and North Cachar Hills the District or Sub-Divisional Officer, as the case may be, should be ex-officio President of the Local Council with powers, subject to the control of the Government of Assam, to modify or annul resolutions or decisions of the Local Councils and to issue such instructions as may be necessary.

Certain taxes and financial powers should be allocated to the Councils. They should have all the powers which local bodies in a regulation district enjoy and in addition they should have powers to impose house tax or poll tax, land revenue and levies arising out of the powers of management of village forest.

Statutory provision for a fixed proportion of the Provincial Fund to be spent on the Hill districts is not considered practicable. A separate financial statement for each Hill district showing the revenue derived from the district and the expenditure proposed on it is recommended. The framing of a suitable programme of development should be enjoined either by statute or by Instrument of Instructions.

It is quite clear that the urgent requirements of the Hill districts by way of expenditure on development schemes are beyond the resources of the Provincial Government. The development of the Hill districts should be as much the concern of the Federal Government as of the Provincial Government. Financial assistance should be provided by the Federation to meet the deficit in the ordinary administration on the basis of the average deficit during the past three years and the cost of development schemes should also be borne by the Central Exchequer.

The claim of Hill District Councils for assistance from General Provincial Revenues to the extent that they are unable to raise the necessary finances within their own powers is recognized.

If Local Councils decide by a majority of three-fourths of their members to license money-lenders or traders they should have powers to require money-

lenders and professional dealers from outside to take out licences.

The management of mineral resources should be centralized in the hands of the Provincial Government but the right of the District Councils to a fair share of the revenues is recognized. No licence or lease shall be given by the Provincial Government except in consultation with the Local Council. If there is no agreement between the Provincial Government and the District Council regarding the share of the revenue, the Governor will decide the matter in his discretion.

Provincial legislation which deals with the subjects in which the Hill Councils have legislative powers will not apply to the Hill districts. Legislation prohibiting consumption of non-distilled liquors like Zu will also not apply; the District Council may, however, apply the legislation.

It is necessary to provide for the creation of Regional Councils for the different tribes inhabiting an autonomous district if they so desire. Regional Councils have powers limited to their customary law and the management of lands and villages and courts. Regional Councils may delegate their powers to District Councils.

The Governor is empowered to set aside any act or resolution of a Council if the safety of the country is prejudiced and to take such action as may be necessary, including dissolution of Local Councils subject to the approval of the Legislature. The Governor is also given powers to dissolve the Council if gross mismanagement is reported by a Commission.

The Central Government should continue to administer the Frontier Tracts and Tribal Area with the Government of Assam as its agent until administration has been satisfactorily established over a sufficiently wide area. Areas over which administration has been satisfactorily established may be taken over by the Provincial Government with the approval of the Federal Government.

The pace of extending administration should be greatly accelerated and separate officers appointed for the Lohit Valley, the Siang Valley and the Naga Tribal Area.

The Lakhimpur Frontier Tract should be attached to the regular administration of the district. The case of the portion of the Lakhimpur Frontier Tract recently included in the Tirap Frontier Tract should be examined by the Provincial Government with a view to a decision whether it could immediately be brought under the Provincial administration. A similar examination of the position in the plains portion of the Sadiya Frontier Tract is recommended. The portion of the Balipara Frontier Tract around Charduar should also be subject to a similar examination.

The excluded areas other than the Frontier Tracts

should be enfranchized immediately and restrictions on the franchise in the Garo and Mikir Hills should be removed and adult franchise introduced.

Weightage is not considered necessary but the Hill districts should be represented in the Provincial Legislature in proportion not less than what is due on their population even if this involves a certain weightage in rounding off. The total number of representatives for the Hills thus arrived at should not be taken into account in determining the number of representatives to the Provincial Legislature from the rest of Assam.

The total population of the Hill districts justifies a seat for the Hill tribes in the Federal Legislature on the scale proposed in Section 13 (c) of the Draft Union Constitution.

Joint electorate is recommended but constituencies are confined to the autonomous districts. Reservation of seats, in view of this restriction, is not necessary.

Non-tribals should not be eligible for election from Hill constituencies except in the constituency which includes the Municipality and Cantonment of Shillong.

Representation for the Hills in the Ministry should be guaranteed by a statutory provision, if possible, or at least by a suitable instruction in the Instrument of Instructions or a corresponding provision.

Non-tribal officials should not be barred from serving in the Hills but they should be selected with care if posted to the Hills. The appointment of a due proportion of Hill people in the Services should be particularly kept in mind and provided for in rules or executive instructions of the Provincial Government.

A commission may be appointed at any time or permanently to enable the Government to watch the progress of the development plans or to examine any particular aspects of the administration.

Plains tribals number 1.6 million. Their case for special representation and safeguards should be considered by the Minorities Sub-Committee.

The question of altering boundaries so as to bring the people of the same tribe under a common administration should be considered by the Provincial Government. The Barpathar and Sarupathar Mouzas included in the Mikir Hills should be included in the regularly administered areas henceforth.

Non-tribal residents may be provided with representation in the Local Councils if they are sufficiently numerous. For this purpose non-tribal constituencies may be formed if justified and if the population is not below 8,500.

Provincial Councils should be set up by the Governor of Assam after consulting such local organizations as exist. These Provincial Councils which will be for one year will have powers to frame their own constitution and rules for the future.

# PRESS LAWS ENQUIRY COMMITTEE, 1947—REPORT

New Delhi, Ministry of Home Affairs, 1948. 52p.

**Chairman :** Shri Ganga Nath.

**Members :** Shri Mohan Lal Saxena; Shri Tushar Kanti Ghosh; Diwan Chaman Lal; Shri Mohd. Ismail Khan; Shri Narayan Mahtha; Shri S. A. Brelvi; Shri Kasturi Srinivasan.

**Secretary :** Shri G. V. Bedekar.

## APPOINTMENT

The Press Laws Enquiry Committee was constituted under the Home Department vide their Resolution No. 33/33/46-Poll (1) dated March 15, 1947, and October 4, 1947.

## TERMS OF REFERENCE

(i) To examine and report to the Government on the laws regulating the Press in the principal countries of the world including India;

(ii) To review the Press Laws of India with a view to examine if they are in accord with the Fundamental Rights formulated by the Constituent Assembly of India; and

(iii) To recommend to the Government any measures of reform in the Press Laws considered expedient upon such review.

## CONTENTS

Introductory; Review of the Press Laws of India; Fundamental Rights and Press Laws of other Countries; Rights and Responsibilities of the Press; Recommendations; Appendices A to E.

## RECOMMENDATIONS

(1) Press and Registration of Books Act : Certain amendments are suggested in Section 3, Section 5 (2), Section 5 (3), Section 5 (4) and Section 11.

(2) The Indian States (Protection Against Disaffection) Act, 1922, and the Indian States (Protection) Act, 1934, should be repealed.

(3) The Indian Press (Emergency Powers) Act, 1931, should be repealed but the following provisions of this Act should be incorporated in the ordinary law of the country :

(a) Clauses (a) to (i) of Section 4 (1) which define offences should be incorporated in the Indian Penal Code, or other law.

(b) Sections 15, 16, 17, 18 and 32 should be incorporated in the Press and Registration of Books Act.

(c) Section 19 should be incorporated in the Criminal Procedure Code.

(d) Section 20 should be incorporated in the Sea Customs Act.

(e) Sections 21 and 22 should be incorporated in the Indian Post Offices Act.

(f) Separate provision should be made to vest courts of justice with powers to order the closing down of a Press for a specified period in case of repeated violation of the law by the Press.

(4) The Foreign Relations Act, 1932, should be repealed and more comprehensive legislation should be undertaken to make provision on a reciprocal basis for protection of Heads of Foreign States, Foreign Governments and their diplomatic representatives in India from defamatory attacks, etc.

(5) (a) Section 124 A of the Indian Penal Code should be amended to give effect to the judgment of the Federal Court in the case of N. D. Mazumdar.

(b) An explanation should be added to Section 153 A of I.P.C. to the effect that it does not amount to an offence under that Section to advocate a change in the social or economic order provided such advocacy does not involve violence.

(6) Section 144 of the Criminal Procedure Code should not be applied to the Press; and separate provision should, if necessary, be made by law for dealing with Press in urgent cases of apprehended danger.

(7) Section 5 of the Indian Telegraph Act and Section 26 of the Indian Post Offices Act should be amended to provide that the actions and orders of subordinate officers are reported to and reviewed by responsible Ministers of the Government.

(8) Before taking action against the Press under emergency legislation, the Provincial Government should invariably consult the Press Advisory Committee or a similar body.

# SCIENTIFIC MAN-POWER COMMITTEE, 1947—REPORT

Delhi, Manager of Publications, 1949. 99p.

**Chairman :** Dr. Shanti Swarup Bhatnagar.

**Members :** Dr. Homi J. Bhabha; Dr. J. C. Ghosh; Shri Ram Rattan Gupta; Dr. K. A. Hamied; Shri Humayun Kabir; Shri A. N. Khosla; Dr. K. S. Krishnan; Mrs. Hansa Mehta; Prof. J. N. Mukherjee; Dr. Baini Prasad; Dr. K. C. K. E. Raja; Dr. Birbal Sahni; W/Cdr. H. Singh (replaced by Dr. R. S. Kothari); Dr. R. S. Thakur (replaced by Shri Raghunath Pershad); Dr. D. N. Wadia.

**Secretary :** Dr. S. R. Sen Gupta.

## APPOINTMENT

The Scientific Man-Power Committee was constituted under the Ministry of Education vide their Press Communique dated April 20, 1947.

## TERMS OF REFERENCE

- (i) To assess the requirements for different grades of scientific and technical man-power taking a comprehensive view over a period of the next 10 years of the needs of the Government (Civil and Defence) of teaching and research and of industry, agriculture, transport, medicine and other fields dependent on the use of scientific and technical man-power;
- (ii) To make recommendations regarding the action to be taken during the next five years to meet these requirements, in particular with reference to :
  - (a) The immediate improvement and expansion of facilities for scientific and technical training in Indian Universities and special institutions;
  - (b) Training overseas in scientific and technical subjects;
  - (c) The promotion and development of scientific and technical research;
  - (d) The utilization of scientific and technical man-power; and
  - (e) The maintenance of a register of scientific and technical personnel to facilitate their utilization to the best advantage.

## CONTENTS

Introduction; —Assessment of Requirements for Scientific and Technical Man-Power; Review of Resources of Scientific and Technical Man-Power and Research Development; Development of Scientific

and Technical Man-Power Resources—A Five-Year Education Plan; Industrial Training of Engineers and Technologists; Overseers Training; Equal Opportunities, Free Places, Science Talent Search, Shortage of Teachers, etc.; Unemployment, Drift and Leakage of Talent, National Register of Scientific and Technical Personnel; Summary; Annexures I to X.

## RECOMMENDATIONS

The first approach to the problem of development of engineering and technological education should be to strengthen the existing facilities in the institutions by equipping and staffing them adequately for the present intake of students and to bring up the standard of training to the desired level.

The existing facilities in respect of staff, equipment, accommodation, etc., should be improved not only for teaching but also for research purposes and there should be close liaison between Industry and Educational Institutions so that the latter might cater to the needs of industry both in the matter of research and in the training of personnel.

The Committee considers that the training of medical personnel up to the degree standard is perhaps the most important aspect of medical education in the context of the requirements for medical personnel.

There are 18 medical schools in the Indian Union which used to account for an annual outturn of about 700 licentiates. But, following the accepted principle of raising the standard of medical education in the country, 11 of these medical schools have already been converted into medical colleges for training up to the degree standard. The Committee hopes that all the other medical schools in the country will, before long, be reorganized into medical colleges.

The Committee observes that both for undergraduate and post-graduate training in dentistry the available facilities in the country offering training up to the degree standard in dentistry.

The Committee estimates that the total number of qualified and practising nurses in India is about 7,000 in the proportion of 1 for every 43,000 of the population, which obviously is very low when compared to corresponding ratios obtaining in other countries.

On the basis of a comparative study of the requirements for scientific and technical man-power for the next 5-year period (1947-52) and the existing resources, the Committee estimates that there are wide gaps

between the possible requirements and the anticipated output and that the available resources of man-power are inadequate to meet our requirements, let alone our having a small potential reserve to draw upon in case of an emergency or unforeseen circumstances. The Committee observes that even on stretching the 5-year requirements to the next 10 years the gaps still exist. The gaps are both qualitative and quantitative. In order to make up the gaps the Committee recommends that a 5-year plan for the development of education and research facilities in the country be worked out having the following main features :

(a) Establishment of four Higher Technical Institutions as recommended by the All-India Council for Technical Education for advanced and post-graduate technical training.

(b) Implementation of the various development plans of institutions described in the Survey Report which envisage:

- (i) Introduction of specialized or post-graduate courses of study and research in certain branches of science and technology not catered for now;
- (ii) Rationalization of the existing courses of study and their diversification;
- (iii) Full development of institutions which are in a formative stage at present;
- (iv) Expansion of training and research facilities in institutions where these are not of the requisite standard or where there is scope for such expansion;
- (v) Reorganization of some of the existing polytechnics or lower technical institutions in order to impart in them higher instruction;
- (vi) Increasing the intake of students in various courses in some of the existing institutions.

(c) Creation of facilities for training in production engineering, design engineering, fuel and furnace technology and other special fields at certain selected institutions on a regional basis.

(d) Establishment of a college of marine engineering and naval architecture or creation of facilities for training in the subject at one or two selected institutions.

(e) Establishment of new medical colleges for increasing the outturn of doctors.

(f) Opening of post-graduate science departments in such of the Universities as do not have them at present, and strengthening of the existing ones in order to increase the outturn of scientists of all categories to the desired extent.

(g) Training of supervisory category of technical personnel in conjunction with industry.

The Committee also recommends that the effective outturn of I. Sc.s during the next 10 years should more

than double itself; and the outturn of science graduates should be nearly double the present.

Considering the vast number of technically trained personnel that would be trained for various development projects during the next few years, the Committee recommends that urgent and far-reaching measures should be adopted to make available existing facilities for practical training to as many qualified students as possible. Towards this end the Committee recommends that the Government should introduce legislative measures so that it becomes incumbent on every established industrial concern to provide training facilities for qualified candidates in all grades notwithstanding whether the persons thus trained are required by the concern or not. The large number of Government and Government-sponsored departments should provide practical training facilities no less than industrial concerns. As a general measure the Committee also recommends the following :

The technical departments of the Government should organize in their establishments facilities for the industrial training of

- (a) Artisan type of personnel;
- (b) Supervisory or foreman type of personnel; and
- (c) Executive type of personnel;

and the expenses for the organization and careful supervision of training for all the above three types should be borne by them.

All factories or industrial establishments, both private and State-owned, should include schemes of practical training and expenditure on this account should be regarded as legitimate expenditure of the establishment.

In all the above three types of establishments trainees should be paid wages or stipends the value of which, in the case of scientific or technically trained men, should be adequate to meet the expenses on board and lodging.

Industrial and Government Departments should recruit fresh graduates as officer-trainees and put them through any organized training programme with a view to their ultimate employment as executive officers.

The Committee recommends that every effort should be made to mobilize fully all available training facilities now as well as in the years to come and to utilize them in a planned and co-ordinated manner.

In view of the unavailability of facilities for both theoretical and practical training of personnel required for rayon and cellulose industries, special arrangements should be made for such training in certain selected institutions or in the co-operative research laboratory that might be established for this group of industries.

The Indian scientific and technical personnel need to be trained abroad with a different emphasis on the



scholar's educational and training programme so as to meet the immediate needs of the country for specialists.

Personnel whom it is required to train abroad for industrial development should be selected from among those who have had a certain amount of industrial experience in the particular industry concerned and also have the necessary academic qualifications.

In order to meet the needs of Government Departments, members of the staff of technical departments should get an opportunity to visit corresponding departments or institutions abroad to acquaint themselves with the latest developments in their own fields.

The Committee is of the considered opinion that special efforts should be made to search out scientific talent suited to take to research in the various National

Laboratories and other research establishments and recommends that a National Science Talent Search Competition as adopted in the U.S.A. should also be inaugurated in this country for locating and encouraging scientific talent in this country.

In order to overcome the shortage of teachers and to improve the standard of training in educational institutions specially from the practical points of view, the Committee recommends that suitable arrangements be worked out whereby the services of senior officers of engineering departments of Governments and technical executives of industrial concerns might be utilized for the training of students in engineering and technological institutions located close to their headquarters.

## INDIAN RAILWAY ENQUIRY COMMITTEE, 1947—REPORT.

New Delhi, Ministry of Railways, 1949. 302p.

Owing to the political changes in the country, the Committee's life was divided into two phases, viz., from April 24 to October 15, 1947, and from March 15 to November 6, 1948. The constitution of the Committee in the second period underwent a change owing to the termination of connection of three members from the Committee.

### First Phase—April 24 to October 15, 1947

Chairman : Mr. K. C. Neogy.

Members : Sir Mohd. Yamin Khan; Mr. Humayun Kabir; Sir George E. Cuffe; Mr. J. N. Nanda; Mr. K. R. Rama Iyer; Col. N. D. Ballantine (a Railway consultant from the U.S.A.).

Secretary : Mr. M. N. Chakravarti.

The Chairman, Mr. K. C. Neogy, was called upon to serve as a Minister of the Government of India and the Committee were consequently deprived of his mature judgment and wise guidance. The American railway consultant, Col. N. D. Ballantine, also had to leave India on September 12, owing to his ill health. Meanwhile, the political situation of the country deteriorated rapidly, resulting in large-scale disturbances and exchange of populations. This prevented the Committee from progressing with their work satisfactorily and it became evident very soon that many points that emerged from the examination of the material with the Committee could not be finally settled, as most of the railway administrations and the

Railway Board were fully occupied with other immediate problems.

The Committee were again granted an interview by the Honourable Minister for Transport and Railways on September 15 and discussed with him the situation arising out of the depletion in the membership of the Committee, and the uncertain political situation in the country. They suggested that the members of the Committee should prepare draft notes to facilitate the preparation of their report and should then disperse temporarily, about the middle of October, leaving behind a reduced staff. When conditions became more favourable the Government could re-assemble the Committee to enable them to complete the unfinished portion of their tour and prepare their report. The Honourable Minister accepted this proposal and the Committee dispersed on October 15, 1947.

The Honourable Minister explained the position in regard to the Committee to the Constituent Assembly (Legislative) on November 20, 1947, in the following terms :

"The Railway Enquiry Committee which has been looking into this (increased economics) question unfortunately has had to be suspended for a period of a few months on account of the disturbances and adjustments following partition, but I hope they will re-assemble within a short period and give us the benefit of their proposals in this matter."

The Secretary to the Committee and a skeleton staff continued to work after October 15, 1947, and carried

out the instructions given by the Committee before their dispersal.

#### Second Phase—Mar. 15 to Nov. 6, 1948

In his speech introducing the Railway Budget for 1948-49 in the Constituent Assembly (Legislative) the Honourable Minister for Transport and Railways made the following statement about the appointment of another Chairman :

"With regard to the Railway Enquiry Committee, as I told the House in answer to a question, the Committee will begin to function in the course of a week or two. Mr. Neogy, who with great ability set the lines on which the enquiry is to proceed, will now be replaced by my honourable friend, Pandit Hirday Nath Kunzru, who, I am sure, will bring to bear on this important work his unique knowledge and experience of public affairs."

The Committee were sorry to lose the services of Mr. Humayun Kabir, who was unable to continue as a member of the Committee on his joining the Ministry of Education. His place on the Committee was taken by Mr. S. Guruswami, General Secretary, All-India Railwaymen's Federation. Col. N. D. Ballantine, who had left India on September 12, 1947, was not recalled owing to his failing health.

The Committee was accordingly reconstituted as follows :

**Chairman :** Pandit Hirday Nath Kunzru.

**Members :** Sir Mohd. Yamin Khan; Mr. S. Guruswami; Sir George E. Cuffe; Mr. J. N. Nanda; Mr. K. R. Rama Iyer.

**Secretary :** Mr. M. N. Chakravarti.

#### APPOINTMENT

The Government of India notified the appointment of the Committee in their Press Communique dated November 26, 1946, in the following terms :

"In pursuance of the recommendations contained in the Resolution passed by the Railway Standing Finance Committee on June 14, 1946, the Government of India have decided to appoint a high-power Railway Enquiry Committee.

The Committee will consist of :

Mr. K. C. Neogy, M.L.A. (Central)—Chairman.

Mr. I. S. Puri, C.I.E., Additional Financial Commissioner, Railways—Member.

Mr. J. N. Nanda, General Manager, H.E.H. the Nizam's State Railway—Member.

Sir Mohd. Yamin Khan, Deputy President, Central Legislative Assembly—Member.

Mr. Humayun Kabir, Vice-President, All-India Railwaymen's Federation—Member.

There will be two more members, one of whom

will probably be a Railway expert from the U.S.A., and the other a high-ranking railway officer on the Indian Railways. Their names will be announced later. Mr. M. N. Chakravarti, an officer of the Transportation (Traffic) and Commercial Departments of North-Western Railway, will act as Secretary.

The Committee, which will be known as "The Indian Railway Enquiry Committee—1947" is expected to assemble early in April, 1947, by which time the Government hope to have received and dealt with the Adjudicator's Award in regard to hours of work, weekly rest, leave reserve and leave rules. In the meantime, Mr. Puri will be engaged in collecting data germane to the enquiry in order to facilitate its deliberations when it starts work.

Mr. Puri, having subsequently been appointed Financial Commissioner of Railways, was replaced on April 14, 1947, by Mr. K. R. Rama Iyer, Financial Adviser and Chief Accounts Officer, Oudh Tirthut Railway, lately on Special Duty as Member, Terminal Facilities Committee, Calcutta. Col. N. D. Ballantine, who possessed considerable experience of railway working in the U.S.A., and Sir George Cuffe, General Manager, Bombay, Baroda and Central India Railway, were appointed as members of the Committee in accordance with the Government of India Press Communique of November 26 referred to above.

#### TERMS OF REFERENCE

(1) Suggesting ways and means of securing improvement in net earnings by :

(a) Economics in all branches of the Railway Administration; and

(b) Any other means.

(2) Ascertaining the extent of staff surplus to requirements and suggesting practical methods of absorbing them in Railway service.

#### CONTENTS

Introductory; General Survey of the Indian Government Railways; Civil Engineering; Mechanical Engineering; Operation; Commercial Organization and other Matters; Electrical Organization and Electrification; Railway Stores Organization; Finance; Staff; Research; Central Controlling Authority and Railway Organization; Regrouping of Railways; Railway Grain-shops Organization; Miscellaneous Matters; Summary of Conclusions and Recommendations; Acknowledgments; Appendices I to XXXI.

#### CONCLUSIONS AND RECOMMENDATIONS—SUMMARY

##### General Survey Of The I.G.R.

We made a broad financial and statistical survey of the Indian Government Railways since 1924. We con-

clude that the financial results so far cannot be considered bright.

The statistical survey of the major operating and rolling-stock statistics indicates, with minor exceptions, that there has been a substantial fall in the standard of efficiency and performance since 1938-39. During the war years the standard had improved but this was not maintained.

#### Civil Engineering

**Track :** We recommend that the urgent relaying programmes should be implemented thus improving the standard of track sufficiently to meet the future demands.

Track standards should not be raised merely to comply with new standards. Greater use of second-hand released materials should be made.

We recommend that investigations should be pushed forward for evolving lighter and modified sections of rails as standards for the Indian Railways.

We recommend that similar investigations should be made to lighten metal sleepers.

We recommend that researches as to the density of sleepers required under different conditions of traffic and types of rails and sleepers should be pursued. This would yield sufficient data to enable impressive economies being made.

The tendency on some railways for increasing the temporary gang strength should be checked. We recommend that an officer should be placed on special duty to make a close study of the methods of track maintenance actually pursued by the Railways, and reach conclusions. He should also ascertain best methods of utilizing gang labour.

Experiments with mechanical appliances for the maintenance of track should be pushed forward as early as possible.

Experiments with mobile gangs should be pursued.

We recommend that the gang length should be gradually increased to four miles which would economise the number of mates and keymen.

The special officer recommended by us for investigating the system of track maintenance should also investigate the question of the economical ballast section for varying formations and conditions of traffic, etc. Mechanical crushers may be used departmentally, if financially justified. Reputable contractors should be encouraged to go in for the use of these crushers.

Experiments with the welding of rails should continue on a sufficiently large scale. The experience of other countries supports the conclusion that economies would be substantial, in addition to making the running smoother and, therefore, more comfortable.

We recommend that vigorous research should be made on the problem of treatment of black cotton and

other unstable soil and the best method of drainage of waterlogged banks and cuttings.

#### Supervision

Normally, a District Engineer's charge should be between 400 and 500 equated track miles and that of an Assistant Engineer between 150 and 200 miles. The average length of the beat of the Permanent-Way Inspector (P.W.I.) and Assistant or Sub-P.W.I. should be about 45 equated track miles.

We recommend that the Railways should obtain records of the condition of track by the use of test cars or Hallade Instrument twice a year and that the annotated records should be in the hands of the Permanent-Way supervising staff expeditiously.

#### Manufacture Of Equipment

There is a tendency for perpetuating departmental manufacture of materials in Engineering Workshops, which cannot be justified either on the score of economy or availability. We urge periodical reviews.

There is a wide scope for an extensive reconditioning of track materials and tools; rails with battered ends can be re-used by cropping up the ends and welding them; sleepers, fishplates, points and crossings can be reconditioned and re-used. Pooling of information in this respect would be useful.

#### Structural Maintenance

We recommend that the Railways should carefully scrutinize details of expenditure on maintenance of buildings and the methods of maintenance with a view to effecting economies.

We recommend that research should be undertaken for evolving an economical and suitable design for buildings in the black-cotton soil areas.

The renewal of girders of bridges should be decided on condition basis.

#### Control Of Expenditure

The possibility of control of expenditure on a unit-cost basis should be investigated as soon as prices stabilize.

#### Mechanical Engineering

**Locomotive Stock :** The utilization of locomotives on the Indian Government Railways in 1946-47 was low with the result that a substantial number was employed in excess, which could have been used for carrying additional traffic. On the basis of the performance of 1938-39, and with a reasonable number under or awaiting repairs (say 15% of stock), the percentage of locomotives used in excess would amount to about 10% of the total stock.

Another method for determining the excess is to base the calculation on the average number of engine miles per engine per day, actually reached in 1941-42. This is certainly capable of achievement and would yield a figure of 17% of the total stock as the measure of the excess.

The performance could have been better, in spite of the deteriorated condition of the locomotives brought about through excessive wear and tear during the war years and the increasing age of locomotives.

**Locomotive Repairs in Workshops :** All Railways are heavily in arrears. This is alarming, particularly as the output from the workshops is much lower than their capacity and even below the current requirements of the Railways. We realize the difficulties regarding the shortage of spare parts, etc., still the position is considered most unsatisfactory. Excluding the E.P. and Assam Railways, the workshop capacity is adequate.

**Coaching Stock :** The number of passenger coaches under or awaiting repairs is high.

**Coaching Stock Repairs in Workshops and Future Outlook :** The shortage of passenger coaches is very acute which is the primary cause of the serious overcrowding. Further, a large proportion of such coaches is normally due to be replaced. We reckon that at a conservative estimate the passenger stock on the B.G. would require to be augmented by 25% and on the M.G. by 50% in the near future.

While we appreciate the Railway Board's action in attempting to tap indigenous sources we wish to emphasize that top priority should be given to the setting up of Central Workshops for the construction of coaching stock.

All-steel coaches are likely to be put in service and we suggest that before reaching final conclusions experiments should be carried out in the hottest part of the country in the months of May and June.

We, however, stress the value of all-steel stock in that it has generally been found that in the event of a serious accident, all-steel stock is less liable to telescoping than is wooden-bodied stock. For the same reason, we recommend the fitting of automatic control couplers to the new 11'-8" stock.

**Wagon Stock and Repairs in Workshops :** The percentage of wagons immobilized for repairs is very high.

There has been a considerable deterioration in the output of repairs to wagons in workshops, with the result that over 20% of the total stock is overdue periodical overhaul.

**Workshop Organization and Layout :** On the basis of the work performed in the workshops, measured by the number of standard repair to locomotives and by the number of coaching stock and goods wagons given periodical overhaul, there appears to be a surplus of

staff. We recommend a careful job analysis to ascertain the extent of the surplus, taking into consideration the present quantum of work, arrears of maintenance, and other relevant factors.

Though some of the workshops require remodelling or modifications, which should be carried out without delay, in our opinion the present deplorable condition of the workshops is largely attributable to faulty direction and management.

We are impressed with the working of the "Belt System" as it exists in the Kharagpur Workshops of the B. N. Railway, and recommend that this system should be adopted whenever a new workshop is planned or constructed. When any major reconstruction of the existing workshops is undertaken, the principles underlying the "Belt System" should be applied as far as possible.

Effective steps should be taken to control and stabilize prices and making consumer goods available at reasonable rates. It is also imperative to pursue schemes of literacy in order to step up production.

Trade unionism should be encouraged.

Special supervisors should be appointed to guide and supervise the apprentices in their practical work in the workshops.

Statistics on man-hour basis should be introduced for the different operations.

Priority for steel should be given to the Railways and supplies assured to them.

Replacement of locomotives should be made on a 40-year basis, subject, however, to rigid condition tests.

### Operation

All officers and staff, both technical and non-technical, dealing with the actual movement of traffic should belong to one operating department or branch.

In the case of major cities where shortage of technical capacity is manifest, early action should be taken to review the present and future requirements and to formulate plans for improving terminal facilities.

A small technical committee of senior officers should be set up in three years' time to examine the gauge question generally and to make recommendations for gauge conversion with the object of reducing the number of transshipment points.

To secure a good general standard of maintenance it is recommended that neutral control-stations should be located at points where large numbers of wagons are dealt with daily, and where adequate repair facilities exist, but not necessarily at interchange junctions.

The provision of steel for carriage underframes and body construction should receive the highest priority even at the expense of wagon construction.

We recommend the preparation of I.R.S. drawings for all double-wire components.

We also recommend the attachment to the Board's office of an experienced signal engineer, capable of examining signal and interlocking schemes, for advising the Board.

We also recommend the deputation of Indian Signal Officers to study signalling and interlocking work on the continent of Europe.

#### Commercial Organization And Other Matters

We recommend that the arrangements for the training of officers in the Operating and Commercial Departments should be better organized.

There should be a separate Head of Department for commercial work on the B.B. & C.I. Railway.

Railways should devote greater attention to the subject of quick transit of goods in smalls.

Action should be taken to develop gradually a suitable collection and delivery service on a large scale.

Departmental catering should be built up with caution and should be regarded as a long-term development.

The majority of the members of the Central Advisory Council should be chosen by Commercial and Industrial Associations and there should be direct representation of rural interests and of the travelling public.

The strength necessary for the Railway Protection Police should be periodically reviewed.

#### Electrical Organization And Electrification

The officers of the technical departments should have some electrical qualifications.

Electrical traction work should be entrusted to a sub-department, until it becomes so widespread on a Railway as to require a separate Traction Department.

#### Railway Stores Organization

A Joint Committee should draw up a further list of items available locally, for which the powers of purchase should be decentralized to the Railways.

Quarterly joint meetings of the Railway Controllers of Stores, representatives of the Industry and Supply Ministry and the Railway Board be held.

#### Finance

We consider that it is desirable to have in the Finance Branch of the Railway Board a separate unit whose primary duty would be to explore constantly means for improving the earnings.

A collective financial survey should be made annually by the F.A. & C.A.O.s.

The Budget work in the Railway Board's office should be transferred from the control of the Director of Accounts to the Director of Finance.

A beginning should be made to write down the cost of the intangible assets by contributing 1% of the gross earnings every year to an Amortization Fund.

We recommend that an annual contribution to the Fund for the next five years be made at Rs. 22 crores per annum. Thereafter, as and when the prices stabilize, an enquiry should be undertaken to find out how and at what rate contribution should be made. It is tentatively suggested that the contribution should ultimately be related inter alia to gross earnings.

#### Staff

Organized labour should be requested to embark upon a campaign of propaganda to stimulate greater effort. Similar propaganda might be launched through the leaders of men.

We recommend that subject to the right of appeal, the usual penalties of withholding of increments or promotion, including stoppage at an efficiency bar, the reduction to a lower post or time scale or to a lower stage in the time scale, the recovery from pay of the whole or part of the pecuniary loss caused to the Government, should be capable of imposition by the competent authority; and for this purpose the Payment of Wages Act should be suitably amended.

For recruitment to the lower grades of Class III Services, greater preference should be given to the sons and nephews of the railway employees who have rendered not less than 15 years of efficient and continuous service; 10% of the vacancies should be reserved for them subject to their being suitably qualified.

Area schools for the training of Class III staff should be established on all Railways.

#### Research

Railway Research Organization is at present inadequate for the essential needs of the Indian Railways and the Railway Board contemplate forming an advisory committee under the chairmanship of the Chief Commissioner. This should be done very early. The Civil and Mechanical Engineering Research Organization already exists under the Central Standards Office, and should be sufficiently strengthened and expanded. It should be watched that research work is not duplicated, full use being made of the National or University Laboratories and Institutions.

#### Central Controlling Authority And Railway Organization

We recommend the vesting of the control and management of the Union Railways in a Statutory Authority; for important reasons, however, we suggest that the setting up of the Authority should be deferred for about five years from now.

The accounts of the Authority should be in a form prescribed by the Auditor-General of India and that he should audit and certify them.

We recommend the retention of the Railway Rates

Tribunal after the setting up of the Authority. We also recommend that the Central Advisory Council for Railways and the Local Advisory Committees should be retained.

We recommend that a careful examination of the question of "divisional" or "departmental" working should be made before definitely condemning the "divisional" system.

#### Regrouping Of Railways

We recommend that the E. P. Railway should continue as a separate entity for some years to come and this Railway should be provided, without any avoidable delay, with basic resources necessary for efficient management.

#### Railway Grainshop Organization

In view of the serious dissatisfaction among the workers and the abuses brought to light by the Grain-

shop Committee, we recommend that steps should be taken to end the Grainshop Organization as it exists today, the staff being compensated for the loss of the measure of relief in kind now received by them.

#### Miscellaneous

We recommend that the method of apportionment of earnings between the Indian Government Railways should be simplified and all of them should participate in the Clearing Office Scheme, which should then be retained as a permanent measure.

Each Railway should have a statistical officer who should interpret and review statistics and bring to notice the salient points emerging from the statistics.

We recommend the preparation of a Statistical Manual which would set forth the meaning of the various units and the methods of employing them intelligently.

## AD HOC COMMITTEE ON CITIZENSHIP CLAUSE, 1947—REPORT Delhi, Manager of Publications, 1950.

Chairman : Shri S. Varadachari.

Members : Shri Tek Chand; Shri B. L. Mitter; Shri A. Krishnaswami Ayyar; Shri K. N. Katju; Shri B. R. Ambedkar; Shri K. M. Munshi.

#### APPOINTMENT

The Ad Hoc Committee on Citizenship Clause was appointed by the Constituent Assembly of India on May 1, 1947.

#### TERMS OF REFERENCE

"Every person born in the Union and subject to its jurisdiction; every person either of whose parents was at the time of such person's birth a citizen of the Union; and every person naturalized in the Union shall be a citizen of the Union."

"Further provision [regarding the acquisition and termination of Union citizenship may be made by the law of the Union."

#### CONTENTS

Report; Recommendations.

#### RECOMMENDATIONS

The inclusion in the Clause of children born in the

Union, even of non-citizens, provided they are subject to Union jurisdiction, is a well-marked feature of Anglo-American public law. This principle has been accepted in the Indian Naturalization Act, 1926. There is some authority for the view that the children of visiting foreigners are on the same footing as the children of foreign ambassadors and would as such be regarded as non-citizens even if born in the Union, because of the qualifying phrase "and subject to its jurisdiction". In any event, such cases are likely to be so few and far between that it is necessary in our opinion to make a special exception to exclude them from citizenship. As regards the possibility of double nationality, this is a well-known phenomenon, but it can be provided against by appropriate provisions in the Union Naturalization Law calling upon the persons concerned to choose one or the other. For this purpose, the Clause makes express provision for supplementary legislation terminating citizenship. We recommend that the Clause as re-drafted by us be adopted.

Clause 11 (b) does not, in our opinion, include conscription for military service. But the expression "forced labour" being very comprehensive, we think that the Explanation should be retained in order to make an exception in the case of compulsory service

for public purposes. We suggest that instead of the word "Explanation", the words "Provided that" be substituted, so that the amended Clause will stand thus:

"Traffic in human beings and 'begar' and other similar forms of forced labour are prohibited, and

any contravention of this prohibition shall be an offence.

"Provided that nothing in this Clause shall prevent the State from imposing compulsory service for public purpose without any discrimination on the ground of race, religion, caste or class."

## BENGAL BOUNDARY COMMISSION, 1947, OR RADCLIFFE AWARD—REPORT New Delhi, 1958. 9p.

Chairman : Sir Cyril Radcliffe.

Members : Justice Bijan Kumar Mukherjee; Justice C. C. Biswas; Justice Abu Saleh Mohammed Akram; Justice S. R. Rahman.

### APPOINTMENT

The Bengal Boundary Commission was constituted by the announcement of the Governor-General dated June 30, 1947. Reference No. D 507/47/R.

### TERMS OF REFERENCE

"The Boundary Commission is instructed to demarcate the boundaries of the two parts of Bengal on the basis of ascertaining the contiguous areas of Muslims and non-Muslims. In doing so, it will also take into account other factors."

### CONTENTS

Report; The Schedule; Annexure A: Report of the Bengal Boundary Commission (Sylhet District).

### RECOMMENDATIONS

#### Annexure A

A line shall be drawn along the boundary between the Thana of Phansidewa in the district of Darjeeling and Thana Tetulia in the district of Jalpaiguri from the point where that boundary meets the province of Bihar and then along the boundary between the Thanas of Tetulia and Rajganj; the Thanas of Pachagar and Rajganj, and the Thanas of Pachagar and Jalpaiguri, and shall then continue along the northern corner of the Thana Debiganj to the boundary of the State of Cooch-Bihar. The district of Jalpaiguri as lies north of this line shall belong to West Bengal, but the Thana of Patgram and any other portion of Jalpaiguri District which lies to the east or south shall belong to East Bengal.

A line shall then be drawn from the point where

the boundary between the Thanas of Haripur and Rajganj in the district of 24-Parganas and the Khulna meets the Bay of Bengal. This line shall follow the course indicated in the following paragraphs. So much of the province of Bengal as lies to the west of it shall belong to West Bengal. Subject to what has been provided in paragraph 1 above with regard to the districts of Darjeeling and Jalpaiguri, the remainder of the Province of Bengal shall belong to East Bengal.

The line shall run along the boundary between the following Thanas:

Haripur and Rajganj; Haripur and Hemtabad; Ranisankail and Hemtabad; Pirganj and Hemtabad; Pirganj and Kaliganj; Bochaganj and Kaliganj; Biral and Kaliganj; Biral and Kushmundi; Biral and Gangarampur; Dinajpur and Gangarampur; Dinajpur and Kumarganj; Chirirbandar and Kumarganj; Phulbari and Kumarganj; Phulbari and Balurghat. It shall terminate at the point where the boundary between Phulbari and Balurghat meets the north-south line of the Bengal-Assam Railway in the eastern corner of the Thana of Balurghat. The line shall turn down the western edge of the Railway lands belonging to that Railway and follow that edge until it meets the boundary between the Thanas of Balurghat and Panchbibi.

From that point the line shall run along the boundary between the following Thanas:

Balurghat and Panchbibi; Balurghat and Joypurhat; Balurghat and Dhamaishat; Tapan and Dhamaishat; Tapan and Patnitala; Tapan and Porsha; Baniangola and Porsha; Habibpur and Porsha; Habibpur and Gomastapur; Habibpur and Bholahat; Malda and Bholahat; English Bazar and Bholahat; English Bazar and Shibganj; Kaliachak and Shibganj; to the point where the boundary between the two last mentioned Thanas meets the boundary between the districts of Malda and Murshidabad on river Ganges.

The line shall then turn south-east down river Ganges along the boundary between the districts of Malda and Murshidabad; Rajshahi and Murshidabad; Rajshahi and Nadia; to the point in the north-western corner of the district of Nadia where the channel of river Mathabanga takes off from river Ganges.

The district boundaries, and not the actual course of river Ganges, shall constitute the boundary between East and West Bengal.

From the point on river Ganges where the channel of river Mathabanga takes off, the line shall run along that channel to the northernmost point where it meets the boundary between the Thanas of Daulatpur and Karimpur. The middle line of the main channel shall constitute the actual boundary.

From this point the boundary between East and West Bengal shall run along the boundaries between the Thanas of Daulatpur and Karimpur; Gangani and Karimpur; Meherpur and Karimpur; Meherpur and Tehatta; Meherpur and Chapra; Damurhuda and Chapra; Damurhuda and Krishnaganj; Chuadanga and Krishnaganj; Jibannagar and Krishnaganj; Jibannagar and Hanskhali; Maheshpur and Hanskhali; Maheshpur and Ranaghat; Maheshpur and Bongaon; Jhikargacha and Bongaon; Sarsa and Bongaon; Sarsa and Gaighata; Gaighata and Kalaroa; to the point where the boundary between those Thanas meets the boundary between the districts of Khulna and 24-Parganas.

The line shall then run southwards along the boundary between the districts of Khulna and 24-Parganas to the point where that boundary meets the Bay of Bengal.

In my view the question is limited to the districts of Sylhet and Cachar, since of the other districts of Assam that can be said to adjoin Sylhet neither the Garo Hills nor the Khasi and Jaintia Hills nor the Lushai Hills have anything approaching a Muslim majority of the population in respect of which a claim could be made.

Out of 35 Thanas in Sylhet, eight have non-Muslim majorities; but of these eight, two, Sulla and Anjiriganj (which is in any event divided almost evenly between Muslims and non-Muslims), are entirely surrounded by preponderantly Muslim areas, and must therefore go with them to East Bengal. The other six Thanas comprising a population of over 5,30,000 people stretch in a continuous line along part of the southern border of Sylhet District. They are divided between two sub-divisions of which one, South Sylhet, comprising a population of over 5,15,000 people has in fact a non-Muslim majority of some 40,000; while the other, Karimganj, with a population of over 5,68,000 people, has a Muslim majority that is a little larger.

With regard to the District of Cachar, one Thana, Hailakandi, has a Muslim majority and is contiguous to the Muslim Thanas of Badarpur and Karimganj in the district of Sylhet. This Thana forms, with Thana of Katlichara, immediately to its south, the sub-division of Hailakandi, and in the sub-division, as a whole, Muslims enjoy a very small majority, being 51% of the total population. I think that the dependence of Katlichara on Hailakandi for normal communications makes it important that the area should be under one jurisdiction, and that the Muslims would have at any rate a strong presumptive claim for the transfer of the sub-division of Hailakandi, comprising a population of 1,66,536 from the Province of Assam to the Province of East Bengal.

But a study of the map shows, in my judgement, that a division on these lines would present problems of administration that might gravely affect the future welfare and happiness of the whole District. Not only would the six non-Muslim Thanas of Sylhet be completely divorced from the rest of Assam if the Muslim claim to Hailakandi were recognized, but they form a strip running east and west whereas the natural division of the land is north and south and they effect an awkward severance of the railway line through Sylhet so that, for instance, the junction for the town of Sylhet itself, the capital of the district, would lie in Assam, not in East Bengal.

In those circumstances I think that some exchange of territories must be effected if a workable division is to result. Some of the non-Muslim Thanas must go to East Bengal and some Muslim territory and Hailakandi must be retained by Assam. Accordingly, I decide and award as follows :

A line shall be drawn from the point where the boundary between the Thanas of Patharkandi and Kulaura meets the frontier of Tripura State and shall run north along the boundary between those Thanas, then along the boundary between the Thanas of Patharkandi and Barlekha, then along the boundary between the Thanas of Karimganj and Barlekha, and then along the boundary between the Thanas of Karimganj and Beani Bazar to the point where that boundary meets river Kusiara. The line shall then turn to the east taking river Kusiara as the boundary and run to the point where that river meets the boundary between the districts of Sylhet and Cachar. The centre line of the main stream or channel shall constitute the boundary. So much of the district of Sylhet as lies to the west and north of this line shall be detached from the province of Assam and transferred to the province of East Bengal. No other part of the province of Assam shall be transferred.



# **PUNJAB BOUNDARY COMMISSION OR RADCLIFFE AWARD**

## **1947—REPORT**

**New Delhi, 1958.**

**Chairman :** Sir Cyril Radcliffe.

**Members :** Justice Din Muhammad; Justice Muhammad Munir; Justice Mehr Chand Mahajan; Justice Teja Singh.

### **APPOINTMENT**

The Punjab Boundary Commission was constituted by the announcement of the Governor-General dated June 30, 1947. Reference No. D50/7/47R.

### **TERMS OF REFERENCE**

"The Boundary Commission is instructed to demarcate the boundaries of the two parts of the Punjab on the basis of ascertaining the contiguous majority areas of Muslims and non-Muslims. In doing so, it will also take into account other factors."

### **CONTENTS**

Report; Annexures; Schedule.

### **RECOMMENDATIONS**

The boundary between the East and West Punjab shall commence on the north at the point where the west branch of river Ujh enters the Punjab Province from the State of Kashmir. The boundary shall follow the line of that river down the western boundary of the Pathankot Tahsil to the point where the Pathankot, Shakargarh and Gurdaspur Tahsils meet. The tahsil boundary and not the actual course of river Ujh shall constitute the boundary between the East and West Punjab.

From the point of meeting of the three tahsils mentioned above, the boundary between the East and West Punjab shall follow the line of river Ujh to its junction with river Ravi and thereafter the line of river Ravi along the boundary between the Tahsils of Gurdaspur and Shakargarh, the boundary between the Tahsils of Batala and Shakargarh, the boundary between the tahsils of Bata'a and Narowal, the boundary between the Tahsils of Ajnala and Narowal, and the boundary between the Tahsils of Ajnala and Shahdara, to the point on river Ravi where the district of Amritsar is divided from the district of Lahore. The tahsil boundaries referred to, and not the actual course of river Ujh or river Ravi, shall constitute the boundary between the East and West Punjab.

From the point on river Ravi where the district of Amritsar is divided from the district of Lahore,

the boundary between the East and West Punjab shall turn southwards following the boundary between the Tahsils of Ajnala and Lahore and then the Tahsils of Tarn Taran meet. The line will then turn south-westward along the boundary between the Tahsils of Tarn Taran and Lahore, to the point where the Tahsils of Kasur, Lahore and Tarn Taran meet. The line will then turn south-westward along the boundary between the Tahsils of Lahore and Kasur to the point where that boundary meets the north-east corner of village Theh Jharolian. It will then run along the eastern boundary of that village to its junction with village Chathianwala, turn along the northern boundary of that village and then run down its eastern boundary to its junction with village Waigal. It will then run along the eastern boundary of village Waigal to its junction with village Kalia, and then along the southern boundary of village Waigal to its junction with village Panhuwan. The line will then run down the eastern boundary of village Panhuwan to its junction with village Gaddoke. The line will then run down the eastern border of village Gaddoke to its junction with village Nurwala. It will then turn along the southern boundary of village Gaddoke to its junction with village Katluni Kalan. The line will then run down the eastern boundary of village Katluni Kalan to its junction with villages Kals and Mastgarh. It will then run along the southern boundary of village Katluni Kalan to the north-west corner of village Kals. It will then run along the western boundary of village Kals to its junction with village Khem Karan. The line will then run along the western and southern boundaries of village Khem Karan to its junction with village Maewala. It will then run down the western and southern boundaries of village Maewala, proceeding eastward along the boundaries between village Mahaidepur on the north and villages Sheikhpura Kuhna, Kamalpuran, Fatehwala and Mahewala. The line will then turn northward along the western boundary of village Sahjra to its junction with village Mahaidepur and Machhike. It will then turn northeastward along the boundaries between villages Machhike and Sahjra and then proceed along the boundary between villages Rattoke and Sahjra to the junction between villages Rattoke : Sahjra and Mabbuke. The line will then run north-east between villages Rattoke and Mabbuke to the junction of villages Rattoke, Mabbuke and Gajjal. From the point the line will run along the

boundary between villages Mabbuke and Gajjal, and then turn south along the eastern boundary of village Mabbuke to its junction with village Nagar Aimanpur. It will then turn along the north-eastern boundary to its junction with village Mastake. From there it will run along the eastern boundary of village Mastake to where it meets the boundary between the tahsils of Kasur and Ferozepore.

For the purpose of identifying the villages referred to in this paragraph, I attach a map of Kasur Tahsil authorized by the then Settlement Officer, Lahore District, which was supplied to the Commission by the Provincial Government.

The line will then run in a south-westerly direction down river Sutlej on the boundary between the districts of Lahore and Ferozepore to the point where the districts of Ferozepore, Lahore and Montgomery meet. It will continue along the boundary between

the districts of Ferozepore and Montgomery to the point where this boundary meets the border of Bahawalpur State. The district boundaries, and not the actual course of river Sutlej, shall in each case constitute the boundary between the East and West Punjab.

It is my intention that this boundary line should ensure that the canal headworks of Sulemanke will fall within the territorial jurisdiction of the West Punjab. If the existing delimitation of the boundaries of Montgomery District does not ensure this I award to the West Punjab so much of the territory concerned as covers the headworks, and the boundary shall be adjusted accordingly.

So much of the Punjab Province as lies to the west of the line demarcated in the preceding paragraphs shall be the territory of the West Punjab. So much of the territory of the Punjab Province as lies to the east of that line shall be the territory of the East Punjab.

## SUB-COMMITTEE OF THE SCIENTIFIC MAN-POWER COMMITTEE, 1947—INTERIM REPORT

New Delhi, Ministry of Education, 1947. 123p.

**Chairman :** Sir Shanti Swarup Bhatnagar.

**Members :** Dr. Homi Bhabha; Dr. K. A. Hamid; Mian Afzal Husain; Prof. Humayun Kabir; Rai Bahadur A. N. Khosla; Shri K. S. Krishnan; Shri G. L. Mehta; Mrs. Hansa Mehta; Major B. N. Mitra; Prof. J. N. Mukherji; Dr. M. Qureshi; Dr. K. C. K. E. Raja; Dr. Birbal Sahni; Wing-Comdr. H. Singh; Shri D. N. Wadia.

**Secretary :** Dr. S. R. Sen Gupta.

### APPOINTMENT

The Scientific Man-Power Committee was set up by the Government of India in April, 1947, under the chairmanship of the late Sir Shafaat Ahmed Khan as notified in a Press communique issued on April 19, 1947. Sir Shanti Swarup Bhatnagar has since been appointed Chairman in place of late Sir Shafaat Ahmed Khan with effect from July 2, 1947.

### TERMS OF REFERENCE

(1) To assess the requirements for different grades of scientific and technical man-power, taking a comprehensive view over a period of the next 10 years of the needs of the Government (civil and defence), of

teaching and research and of industry, agriculture, transport, medicine and other fields dependent on the use of scientific and technical man-power;

(2) To make recommendations regarding action to be taken during the next five years to meet these requirements, in particular with reference to :

(a) The immediate improvement and expansion of facilities for scientific and technical training in Indian Universities and special institutions;

(b) Training overseas in scientific and technical subjects;

(c) The promotion and development of scientific and technical research;

(d) The utilization of scientific and technical man-power; and

(e) The maintenance of a register of scientific and technical personnel to facilitate their utilization to the best advantage.

At its third meeting held on August 22 and 23, 1947, the Scientific Man-Power Committee adopted the report prepared by its Sub-Committee adumbrating measures for the immediate improvement and expansion of facilities for scientific and technical education, research and training.

On July 7, 1947, the acting Chairman was requested by the Government to let them have by

August 5, at the latest, an Interim Report based on available information, however inadequate, recommending measures which should be given the highest priority and initiated within six months in order to meet, to some extent at least, the shortage of scientific and technical personnel—a shortage which is admitted on all hands.

In view of the urgency of the situation Sir Shanti Swarup Bhatnagar agreed to undertake this work. A Sub-Committee consisting mainly of the local members of the Main Committee was constituted at the instance of the Government. The purpose of the Sub-Committee was to formulate certain interim recommendations, prompt action on which on the part of the Government could pave the way to meet partially the scientific and technical man-power shortage. The Sub-Committee consisted of

Chairman : Sir S. S. Bhatnagar

Members : Rai Bahadur A. N. Khosla; Dr. J. N. Mukherji; Rao Bahadur Dr. K. C. K. E. Raja; Dr. J. N. Ray; Wing-Comdr. H. Singh; Shri D. N. Wadia.

Secretary : Dr. S. R. Sen Gupta

and had before it the following Terms of Reference :

To advise the Government of India on measures which should be given the highest priority and initiative within the next six months in respect of :

(a) The immediate improvement and expansion of facilities for scientific and technical training in Indian Universities, and in special institutions; and

(b) The promotion and development of scientific and technical research.

## CONTENTS

Personnel and Terms of Reference; Introduction; Part I: Interim Report of the Scientific Man-Power Committee; Education; Section I: Basic Scientific Education; Double Shift System; Higher Scientific Education; Higher Geological Education; Engineering and Technical Education; Engineering Short-Term Programme; Engineering Long-Term Programme; Education and Training of 'C' Grade Technicians; Practical Training of Engineers; Education of Agricultural Personnel; Education for Health; Section II: Training of Personnel for Scientific and Industrial Research; Special Measures to be Initiated within the next six months; Section III: Industrial Training; Section IV: Technical Training for Defence Services; Section V: Shortage of Equipment and other Related Questions; Housing; Section VI: Steps to Expedite Government Projects; Summary of Recommendations.

Part II: Notes by Members; Training of Personnel for Scientific and Industrial Research and for Industry by Sir S. S. Bhatnagar; Programme for Provision of Facilities for Education, Training and Research

for Engineering Personnel which can be initiated within the next six months by Rai Bahadur A. N. Khosla; Measures which can be implemented during the next six months for speeding up Education, Training and Research in Agriculture and allied subjects by Dr. J. N. Mukherji; Training for Health Personnel by Rao Bahadur Dr. K. C. K. E. Raja; Requirements of Technical and Scientific Personnel for Industrial Development and their Training Programme by Dr. J. N. Ray; R.I.A.F. Training, Research and Development in Collaboration with Civil Institutions by Wing-Comdr. H. Singh; Programme for Provision of Facilities for Education, Training and Research in Geology, Training and Research in Geology and Mining which can be initiated within the next six months by Mr. D. N. Wadia; Programme for the Improvement and Development of Higher Technical Education by Dr. S. R. Sen Gupta.

## RECOMMENDATIONS

The Sub-Committee of the Scientific Man-Power Committee makes the following recommendations to the Government of India for immediate implementation.

For an immediate improvement in the outturn of scientific man-power the Government should utilize the existing sources, viz., universities, special institutions and industrial concerns by helping to create in these places adequate facilities for higher education, research and practical training. Such help as is to be given should largely be in the form of grants for (a) the creation of scholarships on a generous scale, (b) the purchase of equipment, (c) the opening of post-graduate research departments in the Universities which do not have any at the moment. In addition to the above, the several educational development plans, which have been prepared by the Departments of Education, etc., should be pushed through immediately.

For the objectives generally set forth above the Sub-Committee makes the following detailed recommendations under various heads.

### Education

(a) Basic Scientific Education: A substantial increase in the facilities for education in General Science up to the Intermediate Science and B.Sc. standards should be aimed at so that the output from these courses may be adequate to feed the post-graduate institutions.

As an interim measure, to meet the present emergency double shifts should be introduced in such institutions where there is some spare teaching accommodation and equipment but a completely new set of staff should be engaged for the second shift. The Government should, wherever the introduction of

double shift is considered feasible, come to the aid of the institution by bearing a share of the expenses on staff salary and contingencies and by assisting the institution in securing a certain amount of equipment and building materials.

The Provincial Governments should be requested to convert without delay some of their existing ordinary High Schools into Technical High Schools.

(b) Higher Scientific Education: The Government of India should come to the aid of all Universities by giving them suitable financial assistance to expand their post-graduate departments so that the output of post-graduate science students may be increased.

The recommendations of the Geological Education Committee should be acted on immediately so that trained geologists in adequate number may be available for the survey and development of India's mineral resources. The Geological Survey of India should increase the number of their present training camps so as to be able to train annually at least 50 geologists in field work.

(c) Engineering and Technological Education: In the matter of education in engineering and technology a short-term and a long-term programme should be initiated within the next six months.

**Short-Term Programme:** Introduction of an intensive 12-month training programme for M.Sc.'s and Graduates in Chemical Technology to be run on a co-operative basis between (14 different technical institutions and corresponding industries) at a cost of Rs. 34 lakhs in capital and Rs. 13.3 lakhs in recurring.

The Universities should introduce 3-year degree course in engineering as proposed by the All-India Council for Technical Education.

Double-shift system should be introduced in engineering colleges, if conditions justify.

Whatever possible use should be made of the teaching facilities of the Science Departments of general colleges to assist in the education in basic sciences for engineering students.

As an interim measure, engineers in Government service should be encouraged to assist in the instruction in Engineering Colleges.

**Long-Term Programme:** For ensuring co-ordinated development of technical education and generally to raise its standards, the Regional Committees, recommended by the All-India Council for Technical Education, be established immediately.

For the improvement of the standards of education as well as the expansion of some of the institutions of engineering and technology, so that the present facilities may be fully utilized, the Government of India should immediately make grants to such institutions as are recommended by the All-India Council for Technical Education. The grants required will be

about Rs. 2 crores in capital spread over 5 years and Rs. 31 lakhs in recurring.

Building construction, at present contemplated to increase the annual intake of Architecture and Engineering classes of the Delhi Polytechnic, should be expedited. The existing unsatisfactory conditions in the Delhi Polytechnic, especially in the matter of salaries to teachers, accommodation, etc., should be removed and certain departments of the institution be affiliated to Delhi University. The Government should also consider the desirability of setting up a small technical committee to advise the governing body of the Polytechnic.

The Indian Institute of Science should be urged to expedite the opening of the Power Engineering Department so that the outturn of engineers, adequately qualified to handle hydro-electric power development projects, etc., may be available soon.

Within the next six months the Government should complete the purchase of sites and appoint planning staff and, if possible, arrange to hire temporary buildings for starting work on the Eastern and the Western Higher Technical Institutions. 227349.

The Government should give immediate effect to the recommendations of the Indian School of Mines Reorganization Committee for the improvement and expansion of facilities for mining and applied geological education.

The scheme of training of 'C' Grade technicians prepared by the Department of Labour should be put into operation as far as possible within the next six months. For this purpose and for training of craftsmen or overseers, the Government should take over some of the private engineering schools and develop them.

For the special needs of leather and footwear industries, leather chemistry should be introduced as one of the subjects in M.Sc. Industrial Chemistry course and the existing training institutions of leather technology should be made more efficient and useful by adding to their equipment and by enabling them to have better-paid staff.

(d) Agricultural Education: For the co-ordinated development of agricultural education, the Government should constitute on an all-India basis an Advisory Council for Agricultural Education.

In order to bring about an improvement in the flow of trained personnel the system of double-shift should be introduced, wherever possible, as an interim measure.

The programme of development of training and research facilities of the Indian Agricultural Research Institute, Central Agricultural College and other Central Research Institutes dealing with different aspects of agricultural forestry and fisheries should be

implemented and all facilities given to increase the scope of the training programme so as to be able to train double the present number.

The Indian Universities should be encouraged by financial grants and otherwise to establish and/or develop their facilities of agriculture and diversify the scope of their training.

(c) **Medical Education** : For an immediate increase in the outturn of medical personnel, the double shift system should be tried as an interim experimental measure in the Calcutta Medical College and a grant of Rs. 1.3 lakhs in recurring and Rs. 0.10 lakhs in capital be made for the purpose. The possibility of introducing this system in G.S. Medical College, Bombay, should also be investigated.

As a long-term measure the following grants should be sanctioned for the general improvement and expansion of training facilities in the existing medical colleges and certain other purposes :

Existing Colleges in	India	Pakistan
	(Rs. in lakhs)	
Capital Expenditure	432.0	54.0
Recurring Expenditure	115.5	16.5

Rs. 6 lakhs in capital and Rs. 6.75 lakhs in recurring for starting Departments of Preventive Medicine and Public Health in the medical colleges of Bombay and Calcutta.

Rs. 0.825 lakhs for instituting 50 medical research scholarships at various centres in India.

Rs. 2.8 lakhs in capital and Rs. 2.66 lakhs in recurring for expanding the existing training facilities of the All-India Institute of Public Health and Hygiene.

Rs. 3.38 lakhs in capital and Rs. 2.98 lakhs in recurring for the improvement and expansion of the Calcutta Dental College and the Dental College in Bombay.

A capital grant of Rs. 1 lakh and a recurring grant of Rs. 1.5 lakhs to the Nursing College over and above the present expenditure.

A recurring grant of Rs. 71,000 to the Lady Reading Health School, Delhi, for the next three years.

Rs. 2.05 lakhs in recurring and Rs. 11,000 in capital for schemes for training of certain types of non-medical personnel such as midwives, health inspectors, health visitors and vaccinators in the Provinces.

Rs. 0.60 lakhs in recurring for instituting 12 research scholarships in medical and social welfare work at the Tata Institute of Social Sciences, Bombay.

Rs. 446.3 lakhs in capital and Rs. 132.8 lakhs in recurring for a college of pharmacy in Calcutta, a start being made within the next six months.

#### Scientific Research Training

The rigidity of the system of training obtaining in

certain Universities and research institutions should be removed and the system made more flexible and diversified so that a wider field of activity could be covered.

The draft of wastage of scientific talent now going on should be prevented ; and such available talent should be assessed and properly made use of.

For an immediate improvement in the research training facilities in Universities and special institutions following measures should be given effect to :

(a) Institution of 250 scholarships in Indian Universities and non-Government research institutions at an estimated expenditure of Rs. 3 lakhs in recurring.

(b) Creation of 20 professorships, 20 readerships and 40 lectureships in certain Universities.

(c) The Universities of Madras, Nagpur, Delhi, Agra, Patna and Annamalai be asked to start post-graduate research departments in certain important subjects and a total grant of Rs. 30 lakhs in capital and Rs. 7.0 lakhs in recurring, which includes (b) above, be sanctioned.

(d) The Universities of Calcutta, Bombay, Andhra, Benaras, Lucknow, Allahabad, Aligarh, Punjab and Dacca be asked to expand their research training facilities by way of equipment, library, etc., to take in additional workers and that a total grant of Rs. 18 lakhs in capital and Rs. 3 lakhs in recurring be sanctioned.

(e) Indian Institute of Sciences, Bose Research Institute, Tata Institute of Fundamental Research, Nutrition Research Laboratory, Cotton Technological Laboratory, Indian Association for the Cultivation of Science, Lac Research Institute, Jute Research Institute and Laboratories of the Indian Academy of Sciences and the Palaeobotanical Research Institute be asked to expand their research facilities to accommodate more workers and that a grant of Rs. 14 lakhs in capital and Rs. 2.50 lakhs in recurring be sanctioned for the purpose.

(f) The Council of Scientific and Industrial Research be asked to admit at least 20 research workers for training in their present laboratories and that a grant of Rs. 35,000 in recurring be sanctioned for the purpose.

(g) Bengal Tanning Institute, Leather Trades Institute, Madras, Harcourt Butler Technological Institute, Kerala Soap Institute, Imperial Institute of Sugar Technology and the Indian School of Mines be asked to expand their research facilities to take in more men and that a grant of Rs. 0.75 lakhs in recurring be sanctioned for the purpose.

(h) The various scientific departments of the Government, which are about 20 in number, be asked to formulate immediately proposals for training as

many men as possible, not less than 200 in any case, for all the departments and the Government take appropriate action on the proposals.

(i) A scheme of Railway Scientific Research for the training of about 200 workers be instituted immediately, and a grant of Rs. 3.42 lakhs in recurring be sanctioned for the purpose.

(j) For the organization and development of Scientific and Industrial Research in the country the Government should implement the recommendations of the Industrial Research Planning Committee especially in regard to the levy of statutory cess on industry for research purposes.

### Industrial Training

All the established industrial concerns in the country should be approached to provide facilities for advanced and lower grades of training in their factories for more men. In case response from the concerns is poor the Government should introduce a suitable legislative measure whereby it should become incumbent on industrial concerns to provide technical training for qualified students notwithstanding whether the personnel thus trained would be required by the particular concerns or not.

In all contracts entered into by the Government for the purchase of industrial machinery, plant and equipment from foreign and Indian firms, there should be a provision in terms of purchase for the training of a suitable number of Indians in the workshops of the firms.

The following immediate programme of training of men in industry should be implemented :

(1) Advanced training of 300 men in 24 major industries at an estimated cost of Rs. 3.6 lakhs (recurring).

(2) Foremanship training of 500 men in 24 major industries at an estimated cost of Rs. 4.6 lakhs (recurring).

### Technical Training In Institutions

A certain number of 'A' Grade technicians (experts) should be trained in India possibly in accordance with the tentative list of priority subjects drawn up by the Sub-Committee.

A scheme of imparting an immediate intensive short-course training to 'B' Grade technicians as mentioned in II (c) should be implemented forthwith.

A grant of Rs. 5 lakhs be made for instituting a system of scholarships to make it possible for 'C' Grade technicians already engaged in industry to undergo a short refresher and supplementary course in suitable institutions or industrial concerns.

### Defence

The Defence Organization of the country should be developed on up-to-date scientific lines partly by organizing defence research on an extensive scale through a strong scientific section dealing with the training and utilization of resources available in the country for forward advance in the manufacture of defence materials. For this purpose the Defence Department should be asked to formulate a scientific project which should include research, design and engineering construction for the several branches of the Defence Forces, viz., Army, Navy and Air Force, and the project examined by a commission of experts.

Since Defence research cannot progress without the co-operation of "Civil" research, effective liaison should be established immediately between the "Civil" and "Defence" Organizations.

Adequate information relating to the requirements of the Defence Organization in respect of scientific and technical man-power being not available at this stage, the necessary details should be collected from the Defence Department immediately and examined.

With reference to the Air Force the following measures should be adopted as far as possible :

(a) The existing scheme of technical training in civil aviation be correlated with that in the R.I.A.F. This measure will not only quicken the pace in the training of mechanics but also enable us to create a common pool of trained personnel between the two organizations.

(b) The Civil Aviation Training Centre at Saharanpur be utilized for the training of Air Force and Civil Aviation personnel.

(c) Ground Engineers in Civil Aviation with A, B, C, D, & X licences should be employed by the Air Force; and the Air Force should be fully represented on the examination boards and the certificates endorsed as "Acceptable to the Defence Services"

### General Recommendations

For the successful expansion of research and training facilities in Universities and special institutions, especially in regard to the various programmes recommended above, the Government should immediately adopt the following special measures :

(a) The existing handicaps in the matter of import of scientific equipment and apparatus for educational institutions should be removed and top priority given for such imports. The Government should also endeavour to secure from abroad through the official trade agencies whatever equipment the institutions concerned fail to obtain themselves. The Government should, as far as possible, also allow rebate on the import duty on scientific equipment.

(b) In order to augment the existing equipment resources for scientific institutions the Government should reconsider its present policy of disposal of surplus war materials of scientific value and adopt necessary measures to prevent the passing of such materials into the hands of private dealers and ensure that the materials are made available to educational and research institutions easily and as far as possible free of cost.

(c) In order to facilitate the training of additional workers in institutions and industrial concerns, the Government should immediately evolve a suitable machinery for expediting building construction, especially at various training centres, and also provide necessary funds for the purpose.

The following concrete steps may be favourably considered by the Government :

(i) Construction of additional wings to the existing hostels in Universities, research and technical institutions where the additional men are intended to be trained and the cost of such construction to be entirely borne by the Government.

(ii) Construction of residential buildings in factories where training is to be provided on the basis of 50% of the cost as interest-free loan to be repaid to the Government in instalments and the buildings constructed to become the property of the concerns after a certain period.

In order to overcome the great difficulties experienced by the Government in implementing most of their schemes for the improvement and expansion of research and training facilities, the Government should :

(a) Leave it to the Administrative Department to decide as to how any particular scientific or technical post should be filled. The normal procedure of recruitment through the Federal Public Service Commission can be followed generally but in special cases, at the discretion of the Administrative Department, posts may be filled through negotiations with

prospective candidates through the medium of a selection committee with which it may be possible to associate the Federal Public Service Commission.

(b) Create a Scientific Service on a par in status and emoluments with the administrative service, similar to that created in Great Britain.

(c) Improve the salary scales of teachers, especially those engaged in technical education.

(d) Provide funds to enable the institutions to send their experienced staff overseas to visit important centres of scientific and technical education and research.

(e) Institute a large number of scholarships for post-graduate and research training in institutions in India.

(f) Ask the Administrative Department to set up a building committee on which representatives of the C.P.W.D. and the Finance Department may sit together with the departmental representatives and wherever necessary to entrust the department at its discretion to have their building planned and executed through the private agencies.

(g) Delegate a greater amount of power than at present to heads of educational and research institutions.

(h) Place at the disposal of the institutions the funds in the form of block grants to implement programmes approved by the Government. Normally, the head of the institution should have the authority, as a matter of course, once the scheme has been approved and funds allotted, to take the action he considers most appropriate to achieve the desired result without delay.

(i) Decisions on technical matters should be arrived at in fullest consultation with the scientific and technical men at all stages. For any change in the technical proposals, including policy, technical men of the department should be given an opportunity to represent their viewpoint.

## COMMITTEE TO RECOMMEND SUITABLE CONSTITUTIONAL CHANGES IN THE ADMINISTRATIVE SYSTEMS OF THE CHIEF COMMISSIONER'S PROVINCES, 1947—REPORT Delhi, Manager of Publications, 1950.

Chairman : Shri B. Pattabhi Sitaramayya.

Members : Shri N. Gopalaswamy Ayyangar; Shri Deshbandhu Gupta; Shri K. Santhanam; Shri C. M. Poonacha; Shri Mukat Behari Lal Bhargava.

### APPOINTMENT

The Committee was appointed by the President, Constituent Assembly of India, in accordance with the motion adopted by the Constituent Assembly on July 30, 1947.

## TERMS OF REFERENCE

For the purpose of recommending constitutional changes in the five Centrally administered areas, viz., Panth Piploda, Andaman and Nicobar Islands, Coorg, Ajmer-Merwara and Delhi.

## CONTENTS

Report; Annexure.

## RECOMMENDATIONS

Delhi, Ajmer-Merwara including Panth Piploda, Coorg and such other Provinces as may be so designated shall be the Lieutenant-Governor's Province.

### The Provincial Executive

In each Province there shall be a Lieutenant-Governor who shall be appointed by the Federation.

The provisions of the Constitution Act relating to the term of office, qualifications for appointment, eligibility for re-appointment, conditions of office, declaration before entering office by the Governor shall as far as possible be applicable in the case of a Lieutenant-Governor. He may be removed from office by the President on the grounds upon which a Governor may be impeached.

(i) The Executive Authority of the Province shall be vested in the Lieutenant-Governor and may be exercised by him either directly or through persons acting under his authority.

(ii) The power to suspend, remit or commute the sentence of any person convicted of any offence shall be vested in the Lieutenant-Governor as in the case of major Provinces.

(iii) Nothing in this Section shall prevent the President of the Federation or the Provincial Legislature from delegating functions to subordinate authorities.

### Administration Of Provincial Affairs

(i) There shall be a Council of Ministers with the Chief Minister at the head to aid and advise the Lieutenant-Governor in the exercise of his functions except in so far as he is by or under this Constitution required to exercise his functions or any of them in his discretion. The number of Ministers shall not exceed three except with the approval of the President of the Federation.

(ii) In case of difference of opinion between the Lieutenant-Governor and his Ministers on any issue, which he considers important, he may refer the matter to the President of the Federation, whose decision shall be final and binding upon the Province.

The provisions of the Constitution Act relating to the appointment, dismissal and with respect to the determination of the salaries of the Ministers in the

Governor's Provinces shall, as far as possible, be applicable in the case of Lieutenant-Governor's Provinces.

### Legislature

There shall for each of the Lieutenant-Governor's Province be a Legislature, consisting of a single Chamber to be known as the Legislative Assembly. It shall be composed of members chosen by direct election.

The term of office of the elected members of the Assembly on the basis of franchise and other general provisions shall be on the lines as provided in the Constitution Act for Governor's Provinces except that the representation of the different territorial constituencies in the Assembly shall be on a scale of not more than one representative for every 5,000 persons subject to a minimum of 33 for Coorg; 15,000, subject to a minimum of 40, in the case of Ajmer-Merwara including Panth Piploda; and 20,000, subject to a maximum of 50 in the case of Delhi.

The Provincial Assembly shall not have the power to make laws for Federal subjects, and the subjects included in both the Provincial and Concurrent Lists in the new Constitution will be treated as concurrent in respect of these minor provinces. Laws made by the Federal Legislature for these provinces in respect of any of these subjects shall prevail over laws passed by the Provincial Assembly in so far as the latter are inconsistent with the Federal laws.

Laws passed by the Provincial Assembly shall require the assent of the President of the Federation.

The provisions of the Constitution Act relating to prorogation and dissolution of the Legislature, the right of the Governor to address and send messages, election of members as officers of the Legislature and fixation of their salaries in Governor's Provinces shall apply *mutatis mutandis* in the case of Lieutenant-Governor's Provinces.

The provisions of the Constitution Act relating to the making of declaration by members, vacation of seats, disqualifications of members, their privileges and immunities, salaries and allowances in the Provincial Legislatures shall as far as possible be applicable in Lieutenant-Governor's Provinces.

The provisions of the Constitution Act relating to the language to be used in the Provincial Legislature shall as far as possible be applicable in the case of these Provinces.

### Administrative Breakdown

If at any time the President of the Federation is satisfied that the Government of the Province cannot be carried on in accordance with these provisions, he should have power to supersede these arrangements, take the administration into his own hands and make



such other provision for conducting it as he may consider necessary. The exercise of this power will be subject to the usual provisions relating to report to and control by the Federal Legislature in the case of emergencies in a Governor's Province.

#### Judiciary

(i) In the case of Coorg, the powers of a High Court shall be exercised by the Madras High Court.

(ii) For Delhi and Ajmer-Merwara there shall be a High Court established in Delhi having original as well as appellate jurisdiction over both the Provinces. The constitution of this High Court, the appointment of judges and their salaries, its jurisdiction and administrative function shall be governed by the provisions of the Constitution Act applicable to High Courts.

#### Provincial Services

(i) For higher appointments provision shall be made in the recruitment of All India Administrative Services for meeting the requirements of these Provinces.

(ii) Provision shall be made for transfers *inter se* of service personnel recruited in the above manner in these three provinces.

#### Representation In The Federal Legislature

Notwithstanding anything to the contrary in the Union Constitution regarding the basis of representation for the Houses of Federal Legislature, each of these three minor Provinces should be treated as a unit of the Federation for purposes of representation in the two Houses of the Federal Legislature.

#### Chief Commissioner's Provinces

(i) Andaman and Nicobar Islands and such other areas as may be so designated shall be the Chief Commissioner's Provinces.

(ii) The Andaman and Nicobar Islands shall continue to be administered as at present with such adjustments in the administrative machinery as may be deemed necessary.

Additional Note by Shri Mukat Behari Lal Bhargava and Shri C. M. Poonacha to the Chief Commissioner's Provinces Constitution Committee Report :

We the members representing Ajmer-Merwara and Coorg having signed the report find it necessary to append this additional note regarding the future of these two Provinces.

The special problem arising out of the smallness of area, geographical position, scantiness of resources attended with what may be called administrative difficulties of many a complex nature may, at no distant future, necessitate the joining of each of these areas with a contiguous unit. Therefore, we feel that a specific provision should be made in this chapter of the Constitution to make possible such a union after ascertaining the wishes of the people of these areas. No doubt our attention was drawn to Clause 3 of the Union Constitution Committee Report which is yet to be adopted by the Constituent Assembly, wherein certain provisions relating to the creation of a Province, altering the boundaries of a Province, etc., are embodied. But after careful examination we feel that the proposed Clause 3 of the Union Constitution Committee Report is of a very restrictive nature and does not in specific terms contemplate the inclusion of an Indian Province or areas with a State or a group of States. Taking into account the situation of Ajmer-Merwara which is surrounded on all sides by Rajputana States such a Clause would perpetually leave Ajmer-Merwara in isolation even though the people of Ajmer-Merwara may at any time decide against it. Accordingly we press upon the Constituent Assembly the urgency of incorporating a suitable provision in this chapter of the Constitution so as to make it possible for each of these areas to join a contiguous unit.

## FOODGRAINS POLICY COMMITTEE, 1947—INTERIM REPORT

Delhi, Manager of Publications, 1948. 56p.

Chairman : Sir Purshotamdas Thakurdas.

Members : Seth Ghanshyam Das Birla; Sir Shri Ram; Dr. Ram Manohar Lohia; Thakur Phool Singh; Shri Dip Narain Sinha; Shri Hussain Imam; Shri Lakshmidas Purshotam; Dr. V. K. R. V. Rao; Shri R. L. Gupta; Shri. D. S. Bakhle; Shri

S. Y. Krishnaswami; Shri D. R. Sethi; Shri D. N. Mahta.

Secretary : Shri R. A. Gopalaswami.

#### APPOINTMENT

The Foodgrains Policy Committee was constituted under the Ministry of Food vide their letter No. 432/S—dated September 27, 1947.

## TERMS OF REFERENCE

To examine the present position in regard to foodgrains in India and the prospective position in the next five years in the light of considerations of production, procurement, imports, distribution and controls and advise the Government :

(i) On the measures which can be taken to increase domestic production and procurement;

(ii) The extent to which reliance can and should be placed on imports; and

(iii) In the light of the above, the modifications which may be necessary in the foodgrains policy so far pursued.

## CONTENTS

Introduction; Review of Foodgrains Controls; Reduction of Central Government Commitments; Reduction of Provincial Government Commitments; Prices; Retention and Removal of Controls; Supplemental Foods; Summary of Conclusions; Statistical Appendix; Minute of Dissent ; Separate Note (No. I) by Shri Hussain Imam; Separate Note (No. II) by Dr. Ram Manohar Lohia; Supplemental Note by Thakur Phool Singh.

## RECOMMENDATIONS

### I. Reduction Of Government Commitments

Recommendations to be made to Provincial Governments regarding the Food Control Policy :

(i) Acceptance of policy of reduction of Government commitments under rationing and controlled distribution.

(ii) The beginning to be made with those rationing commitments which were accepted in recent years and reduction to be effected in the reverse order to the original process of extension.

(iii) The basis of reduction to be decided with reference to local conditions with the definite aim of liquidating Government commitments as early as possible.

### II. Prices Of Controlled Foodgrains

An increase of procurement prices for controlled foodgrains is necessary. The amount of increase to be allowed in different areas to be settled in accordance with the principles and procedure set out below.

Provincial Governments to propose whether and if so what increase they consider to be necessary; and forward their proposals to the Central Government with a statement of the circumstances justifying the increase proposed, whether and if so to what extent the increased cost is recoverable from consumers, and the net cost, if any, which is not so recoverable.

Before passing on the cost of increasing the procurement price in whole or in part to the consumer, both

the Central Government and the Provincial Government should satisfy themselves that this can be done without raising the consumer price to an unduly high level.

The Central Government to reimburse to the Provincial Government one-half of the net cost of the increased procurement price which is not recoverable from consumers.

### III. Imports From Abroad And Basic Plan

The following recommendations to be made to the Central Government regarding Import and Basic Plan Policy :

(i) A ceiling to be fixed for imports from abroad during 1948.

(ii) A decision to be taken and announced that the policy of the Central Government is to terminate its dependence on imports at the earliest possible date.

(iii) Out of the quantities actually imported from abroad, not less than a specified quantity to be retained by the Central Government as an "Emergency Reserve".

(iv) The Central Government to determine, in agreement with the Governments of surplus provinces and States, a "Basic Export Quota" for each. The Provincial (or State) Government concerned to accept responsibility for procuring and making available this "Basic Export Quota" during 1948, and to endeavour to make available as much grain as possible in the form of "Supplementary Export Quotas".

(v) The Central Government to determine, after consultation with the Governments of deficit Provinces and States, the "Ceiling Import Quotas" to be made available to each during 1948. Decision to be taken and announced that the "Ceiling Import Quota" will not be exceeded during 1948. The Government of the deficit Province or State concerned to accept responsibility for management of its food affairs, without making larger demands on the Centre and to endeavour to reduce its requirements from the Centre as much as possible.

### IV. Fixation Of Import Ceiling

The ceiling referred to earlier under Item III (i) has been communicated separately and confidentially to the Ministry of Food.

### V. Fixation Of Reserve

The reserve referred to earlier under Item III (iii) has been communicated separately and confidentially to the Ministry of Food.

### VI. Fixation Of "Basic Export Quotas" And "Ceiling Import Quotas"

Recommended figures for "Basic Export Quotas"

and "Ceiling Import Quotas" referred to earlier under item III (iv) and (v) to be as follows :

Basic Export Quotas	(Figures In thousand tons)
Coorg	12
Assam	50
Central Provinces	150
Orissa	150
Indian States	120
	<hr/> 482 <hr/>
Ceiling Import Quotas	
Bihar	0
West Bengal	150
Madras	150
Bombay	350
Central Provinces	50
United Provinces	0
Delhi	120
Miscellaneous Areas	100
Defence Services	80
East Punjab	100
Indian States	400
	<hr/> 1,500 <hr/>

## VII. Specification Of Controlled Foodgrains

The following foodgrains to continue to be subject to controls, viz. :

- (i) Rice (including paddy).
- (ii) Wheat (including atta and flour).
- (iii) Millets (including jowar, bajra, and any other millet at present procured and distributed in rationed areas).
- (iv) Maize.

Whether or not controls should be retained in respect of gram to be considered further later.

All controls to be removed and complete free trade established in respect of all cereals except those mentioned above and all pulses other than gram.

## VIII. Nature Of Controls To Be Retained And Removed In Respect Of Controlled Foodgrains

In order to secure supplies necessary for meeting

Government commitments, within the Province (reduced in the manner recommended already) and in order to meet the requirements for export from surplus Provinces, freedom should be given to individual Provinces to use the method of compulsory levy or monopoly purchase in selected districts, or a combination of both; details regarding the assessment and collection of the levy as also the operation of monopoly purchase, to be settled by Provincial Governments with reference to these commitments and other relevant local conditions.

All grain traders, and those grain growers who fall within a category to be defined (so as to cover holders of stocks exceeding 50 maunds of controlled foodgrains), to be licensed, and made subject to the following conditions:

- (a) Submission of returns of stocks; and
- (b) Anti-hoarding restrictions.

The control of movements across Provincial boundaries to remain. Restrictions on the movement of foodgrains within the Province should generally be removed, excepting in so far as they are necessary in the opinion of Provincial Governments concerned to enable them to complete their purchases.

Apart from the liability to deliver either on a monopoly or a compulsory levy basis, at a fixed price, control over prices to be removed.

A sufficiently high priority on the railways, to be allotted for transport of foodgrains on private account; the quantities of which would be increased through complete decontrol of certain grains and the reduction of Government commitments in respect of controlled foodgrains.

## IX. Supplemental Foodstuffs

Meat consumption in statutorily rationed urban areas : A suggestion has been made that arrangements should be instituted for ensuring that some part of his cereal ration is surrendered by a consumer who buys meat, in proportion to the quantity of meat purchased by him. The purpose underlying the suggestion is to secure greater equality among consumers, and to save cereals.

The question whether such supplemental foods as groundnuts, bananas, sweet potatoes, carrots and turnips can be made available at reasonable prices, in such a manner as to bring about a reduction of cereal offtakes, to be also suggested for examination.

# FOODGRAINS POLICY COMMITTEE, 1947—FINAL REPORT

Delhi, Manager of Publications, 1948. 70p.

Chairman : Sir Purshotamdas Thakurdas.

Members : Seth Ghanshyam Das Birla; Sir Shri Ram; Dr. V. K. R. V. Rao; Dr. Ram Manohar Lohia; Thakur Phool Singh; Shri Dip Narain Sinha; Shri Lakshmidas Purshotam; Shri Hussain Imam; Shri R. L. Gupta; Shri D. S. Bakhle (resigned); Shri S. Y. Krishnaswamy; Shri D. R. Sethi; Shri D. N. Mahta; Shri N. G. Abhyankar; Shri C. Bali Reddi.

Secretary : Shri R. A. Gopalaswami (resigned, replaced by Dr. B. M. Piplani).

## APPOINTMENT

The Foodgrains Policy Committee was constituted under the Ministry of Food vide their letter No. 432/S., dated September 27, 1947.

## TERMS OF REFERENCE

To examine the present position in regard to foodgrains in India and the prospective position in the next five years in the light of considerations of production, procurement, imports, distribution and controls, and advise the Government on:

(a) the measures which can be taken to increase domestic production;

(b) the extent to which reliance can and should be placed on imports; and

(c) in the light of the above, the modifications which may be necessary in the Foodgrains Policy so far pursued.

## CONTENTS

Foreword; Introduction; Review of the "Grow More Food" Campaign from 1943 to 1947; The Problem of Food Shortage and Potentialities of Development; The Outline of the Revised Food Production Policy and Plan; Subsidiary Foods; Food Policy During the Next Five Years; Appendix; Note by Sir Shri Ram; Note by Dr. V. K. R. V. Rao; Note by Thakur Phool Singh; Note by Mr. Hussain Imam; Note by Shri C. Bali Reddi.

## RECOMMENDATIONS

Review Of The "Grow More Food" Campaign From 1943 To 1947

The "Grow More Food" efforts between 1943 and

1947 were inadequate and in most areas lacked the necessary vigour and drive, and the Campaign has not produced the results aimed at.

The restriction of area under jute and cotton has not led to corresponding increase in the production of substitute food crops. We recommend that the Central Government should immediately consult the Provinces and States with a view to examining the advisability of continuing the policy of restriction of area under cash crops in favour of food crops.

If definite results are to be achieved, a radical revision in the present food production policy and machinery is called for.

## The Problem Of Food Shortage And Potentialities Of Development

The country should set itself the goal of increasing foodgrain production by 10 million tons annually within the shortest possible time.

An all-sided effort must be made with new vigour and new drive to develop the resources through a clear-cut programme of development backed and supported by necessary finances and organization.

## The Outline Of The Revised Food Production Policy And Plan

The development of agriculture must remain primarily the responsibility of the Provinces and States. The activities of the Central Government should be limited to:

(i) the co-ordination of individual plans of the Provinces and States into the framework of a common all-India plan;

(ii) the procurement and allocation of essential supplies to Provinces and States required by them for their own plans; and

(iii) the reclamation of cultivable waste lands.

We recommend a target of 10 million tons increased production. All-sided efforts must be made to secure this target within the shortest possible time.

Every effort should be made to complete the multi-purpose projects which are now under the consideration of the Government with utmost vigour and despatch.

The Provinces and States should pay the greatest attention to:

- (i) minor irrigation projects such as open-surface wells, bandharas, tanks, inundation channels, etc.;
- (ii) development of local manurial resources such as compost and green manure; and
- (iii) distribution of improved seeds.

The Central Government should set up a committee of experts to examine in all its aspects the possibility of establishing additional units for the production of suitable types of fertilizers. They should also undertake an immediate survey to prospect, prove and develop the known gypsum and phosphate deposits in the country.

The success of the Food Production Drive will depend on the creation of an effective and adequate organization for the purpose. We recommend the immediate creation of an organization on the following lines:

- (i) the establishment of a Central Board of Agricultural Planning to co-ordinate food production plans, to determine priorities and allocate supplies and to examine and approve plans for the reclamation of cultivable waste land;

- (ii) the setting up of Provincial Boards of Agriculture to advise the Central Board and the Provincial Governments and to assist the Central Land Reclamation Organization; and

- (iii) the setting up of an autonomous Central Land Reclamation Organization, with a capital of Rs. 50 crores to be given by the Central Government, with a full-time Board of Directors to undertake the planning and execution of land reclamation projects.

## Subsidiary Foods

There is scope for the extension of area and production under high-yielding tuber crops like potatoes and sweet potatoes.

Encouragement should be given to increase the production of potatoes and sweet potatoes on suitable uncultivated lands in all Provinces and States.

We recommend that the exploratory work in regard to the development of deep-sea fishing and a concentrated programme to develop inland fisheries should be given priority in the Central and Provincial food production plans.

## Food Policy During The Next Five Years

The dependence of the country on the imports of foodgrains should be terminated as early as possible.

Steps should be taken to terminate all need for imports after a period of not more than five years.

The imports of foodgrains should continue to be a monopoly of the Government during the five-year period.

A minimum reserve of a million tons in wheat and rice should be maintained throughout the five-year period of the first Food Production Plan.

An urgent enquiry should be made into the desirability of setting up an autonomous executive organization to handle the foodgrains imports under Government auspices.

# EXPERT COMMITTEE ON THE FINANCIAL PROVISIONS OF UNION CONSTITUTION, 1947—REPORT

Delhi, Manager of Publications, 1950.

Chairman : Shri Nalini Ranjan Sarkar.  
Member : Shri V. S. Sundaram.  
Member-  
Secretary : Shri M. V. Rangachari.

## APPOINTMENT

The Expert Committee on the Financial Provisions of Union Constitution was appointed on December 5, 1947, by the President of the Constituent Assembly to examine and report on the Financial Provisions of the Constitution Act.

## TERMS OF REFERENCE

I. To examine, with the aid of the memoranda on the distribution of revenue between the Centre and the Provinces sent by the Government of India and the Provinces, the existing provisions relating to finance and borrowing powers in the Government of India Act, 1935, and their working during the last 10 years and to make recommendations as to the entries in the lists and sections to be embodied in the new Constitution.

The following points shall, in particular, be kept in view in making the recommendations:

(a) How are taxes to be allocated between the Centre and the Units as regards legislation, levy and collection?

(b) Which are the Federal taxes

(i) whose net proceeds are to be retained entirely by the Centre;

(ii) whose net proceeds are to be entirely made over to Units; and

(iii) whose net proceeds are to be shared between the Centre and the Units?

(c) On what principles the taxes mentioned in (b) (iii) are to be shared between the Centre and the Units?

(d) What is to be the machinery for determining the shares, e.g., whether a Financial Commission should be appointed immediately after the enactment of the Constitution to report on the principle of sharing and their application to be brought into effect when the Constitution comes into force; and whether the same or a similar Commission should review these principles and their concrete application periodically, say, once in five years?

II. What should be the principles on which Federal grants should be made to the Units in future? What should be the machinery for the determination of such grants: Could the same Financial Commission as is referred to in I (d) above act as the machinery for this purpose also, or should it be a different one?

III. How could the Indian States be fitted into this general system as far as possible on the same terms as Provinces? Should a time lag be provided for their being so fitted in?

IV. On the assumption of financial responsibility for Defence, Foreign Affairs and Communications on behalf of the Indian States under arrangements for accession to the Federation, what special financial arrangements, if any, are necessary between the acceding States and the Federation?

V. Should the existing rights of the Indian States as to Federal taxes now levied by them be acquired on payment of compensation?

VI. How far is it feasible, on the centralization of all Customs levied at the Federal frontiers, to permit Indian States affected by such centralization to retain such portion of the Customs so levied at their frontiers as might be attributed to consumption in the States, etc.?

[A review of the existing agreements between the Centre and certain important Indian States as regards maritime Customs, exercises, etc., may be of value in this connection.]

VII. Some Provinces have claimed a large percentage of the income-tax to be made over to them than under the existing system. Does this claim merit consideration; if so, to what extent?

VIII. A suggestion has been made that the Centre should be allocated only the excise on specified commodities; the rest of the field of excise being left to the Provinces to tap according to their needs. Would this be possible without any material detriment to Federal revenues?

IX. On the basis that the residuary powers are vested in the Centre in the new Constitution so far as the Provinces are concerned, and in the States so far as the States are concerned, is it necessary that any additional specific taxes should be entered in the Provincial List, and, if so, what?

X. Is it necessary to make any modifications in the existing provisions as regards procedure in financial matters contained in Sections 33 to 37 and 78 to 83 of the Government of India Act, 1935?

XI. A large number of Indian States at present derive substantial revenues from land Customs levied at the frontiers between their limits and those of neighbouring States or Provinces. One of the fundamental rights already adopted by the Constituent Assembly is to remove all internal barriers in regard to trade between Unit and Unit. Could these land Customs be done away with either immediately or over a period of years, and, if so, should any prejudice caused thereby to the finances of particular States be compensated and in what manner?

[The Committee should kindly indicate clearly which of its recommendations should go into the body of the Constitution and which should be provided for by Federal Law.]

## CONTENTS

Report; Terms of Reference; Prefatory Remarks; Brief History of Financial Relations; Present Constitutional Position; Review of Finances of Provinces and the Centre; Claims of Provinces; General Observations; List of Taxes for the Centre and the Units; Shares in Certain Taxes; Taxes on Income; Central Excise Duty; Grants-in-Aid and Subventions; Taxes on Agricultural Income and Property; Division of Proceeds of Revenue Between Provinces; Effect of the Proposals; Finance Commission; Residuary Powers of Taxation; Exemption of Provincial Governments from Taxation; Emergency Provisions; Procedure in Financial Matters; Auditor-General; Borrowing Powers; Problems of Indian States; Summary of Recommendations; Conclusion; Appendix from I to VI.

## RECOMMENDATIONS—SUMMARY

No major changes to be made in the list of taxes in the Federal Legislative List as recommended by the Union Powers Committee.

The limit of Rs. 50 to be raised to Rs. 250 for taxes on professions, etc., levied by the local bodies.

Any entry to be made in the Federal Legislative List of a new item "Stock Exchange and Future Markets", etc.

A few minor changes of a drafting nature to be made in the list of taxes in the Provincial Legislative List; and no new items for insertion in the Provincial Legislative List.

The Centre to retain the whole of the net proceeds of the following taxes, viz.

- (a) duties of Customs including Export Duties;
- (b) tax on capital value of assets, etc.;
- (c) taxes on railway fares and freights; and
- (d) Central Excise other than on tobacco.

The grant of fixed assignments for a period of years to the jute-growing Provinces to make up for their loss of revenue.

The net proceeds of the following taxes to be shared with the Provincial Governments, viz.

- (1) Income-tax, including Corporation Tax;
- (2) Central Excise on Tobacco; and
- (3) Estate or Succession Duties.

The suggestion that the Centre should be allotted only the excises on specified commodities not accepted.

Federal stamp duties and terminal taxes on goods, etc., to be administered Centrally, but wholly for the benefit of the Provinces.

Larger fixed subventions than now necessary for Assam and Orissa and subventions for limited periods for East Punjab and West Bengal but no precise figures recommended for lack of data.

Grants-in-aid on the Australian model not favoured.

Merging the tax on agricultural income in the Central Income-tax and similarly the Estate and Succession Duties on agricultural property in the similar duties on property in general to be examined in consultation with Provincial Governments and transfers made from the Provincial List of Subjects, if necessary.

Not less than 60% of the net proceeds of Income-tax, including Corporation Tax and the tax on Federal emoluments, to be divided between Provinces in the following manner:

20% on the basis of population, 35% on the basis

of collection and 5% as an adjusting factor to mitigate hardship.

Not less than 50% of the net proceeds of the excise on tobacco to be divided between Provinces on the basis of estimated consumption.

Not less than 60% of the net proceeds from Succession and Estate Duties to be divided between the Provinces on the following basis : Duties in respect of real property on the basis of allocation of the property and on the basis of the residence of the deceased and one-fourth on the basis of population.

Net effect of the recommendations, to transfer annually a sum of the order of Rs. 30 crores from the Centre to the Provinces.

A Finance Commission with a High Court judge or an ex-High Court judge as Chairman and four other members to be entrusted with the following functions :

- (a) allocation between the Provinces of their shares of Centrally administered taxes assigned to them;
- (b) to consider applications for grants-in-aid for Provinces and report thereon; and
- (c) to consider and report on other matters referred to it by the President.

The Commission to review the position every five years, or, in special circumstances, earlier.

A tax levied by the Centre under its residuary powers, not to ensure the benefit of a non-acceding State unless it agrees to accede to the Centre in respect of that subject.

Trading operations of Units, as also of Local Bodies, whether carried on within or without their jurisdiction, to be liable to Central Income-tax or a contribution in lieu, but quasi trading operations incidental to the normal functions of the Government not to be taxed.

The President to be empowered in an emergency to suspend or vary the normal financial provisions in the Constitution.

A few minor changes suggested in regard to the procedure in financial matters.

No change to be made in respect of borrowing powers of Units.

Early arrangements to be made for the preparation of regular budgets and the maintenance of appropriate accounts and audit by all acceding States.

States gradually to develop all the taxes in the Provincial Legislative List and correspondingly give up taxes in the Federal List.

Maritime Customs and excises in States to be taken

over by the Centre, the States being compensated therefor, if necessary.

The Indian Income-tax Act to be applied to all the federating States, and 75% of the net proceeds attributable to the States to be divided between them.

A States Commission to be set up with five members with wide knowledge of the financial administration of Provincial, Federal or State Governments.

The States Commission to examine the privileges, immunities, etc., of States and to suggest suitable compensation for the extinction of these rights and liabilities.

States which do not come into the arrangements to

pay a contribution to the Centre to be determined by the *States Commission*.

The interim Constitutional arrangements with the States to be flexible and small States to be grouped together.

### Conclusion

Some of our recommendations would need to be embodied in the Constitution while others would be given effect to by the order of the President. We have attempted a draft of the necessary provisions in the Constitution to give effect to the former; and these are set out in Appendix VI.



1948

## COMMITTEE ON SECONDARY EDUCATION IN INDIA 1948—REPORT

New Delhi, Ministry of Education, 1948. 11p.  
(Bureau of Education, Pamphlet No. 52)

**Chairman :** Dr. Tara Chand. (In the absence of the Educationals Adviser, Prof. Humayun Kabir, Joint Educational Adviser, was to act as Chairman.)

**Members :** Shri P. C. Sanyal; Dr. Snehamoy Dutta; Shri Kamta Prasad; Shri D. C. Pavate; Dr. V. S. Jha; Shri D. S. Reddy; Shri S. C. Tripathi; Shri G. C. Chatterji; Rai Bahadur Chuni Lal Sahney; Dr. J. M. Mehta; a representative from Kashmir State; Director of Public Instruction, Mysore; Shri A. Narayanantampi; Shri P. V. R. Rao; Shri K. G. Saiyidain; Mrs. Hannah Sen; Shri K. Zacharia; Principal, St. Mary's Training College for Women, Poona; Shri I. R. Sethi.

**Secretary :** Dr. (Mrs.) Bina Chatterjee.

### APPOINTMENT

The Central Advisory Board of Education at their 14th meeting held in January, 1948, considered the question of Secondary Education in the country. In view of its importance for the educational system as a whole, the Board resolved that (a) a commission may be appointed by the Government of India and (b) make recommendations in regard to the various problems related thereto. The resolution of the Central Advisory Board of Education was endorsed by the All-India Education Conference convened by the Hon'ble Minister for Education in January, 1948. In pursuance of these recommendations the Government of India appointed a committee.

### TERMS OF REFERENCE

(1) To examine the aims and objects of Secondary Education as defined in the Report of the Central Advisory Board of Education on Post-War Education.

(2) To determine the period of and gradations in Secondary Education.

(3) To consider the place of the national language and English in Secondary Education.

(4) To consider the different types of Secondary Schools to be established and whether they should be unilateral or multilateral.

(5) To consider the procedure to be adopted for selecting pupils for Secondary Education.

(6) To consider the relation of Secondary Education to Basic Education and University Education.

(7) To consider the nature of the examination to be held at the end of the Secondary Stage and how far it could be utilized for admission to Universities.

(8) To consider the steps to be taken for training an adequate number of teachers with the qualifications necessary and the conditions of their service.

(9) To consider the short and long term measures necessary for giving effect to the proposed system of Secondary Education including methods of instruction, examinations, control and administration and building and equipment.

(10) To consider the special steps to be taken for the growth of leadership both for the Armed Forces and for the civil life.

(11) To consider the financial implications of the proposed system of Secondary Education.

(12) To consider any other matters relevant to the terms of reference.

## CONTENTS

Report ; Annexures.

## RECOMMENDATIONS

Admission to the degree course should be preceded by a course of Primary and Secondary Education for at least 12 years.

Of the above 12 years, five years should be spent at the Junior Basic Stage, three years at the Senior Basic or pre-Secondary and four years at the Secondary Stage.

The teaching of the Federal language should be started at the end of the Junior Basic Stage and should

be compulsory throughout the pre-Secondary Stage, but may be optional thereafter.

English may be an optional subject at the Senior Basic Stage and should be compulsory throughout the pre-Secondary and Secondary Stages, so long as it remains the medium of instruction in the Universities.

The Federal language should become a compulsory subject at the Secondary Stage when English ceases to be the medium of instruction in the Universities.

Secondary Schools should be ordinarily of the multilateral type but where the local circumstances demand, unilateral schools should not be discouraged.

There should be one public examination at the end of the Secondary Stage; the Universities may, for admission purposes, lay down such conditions as they deem fit.

The pay and conditions of service of teachers should be the same as recommended by the C. A. B. of Education. The scales of pay should be revised in the light of the changes that have recently taken place.

Trained Graduates can take charge of the teaching in the first two years of the Secondary Stage but Trained M.A.s should teach in the last two years.

The period of training should not be less than one year and after every five years there should be a refresher course.

Education should be one of the subjects in the University Course of studies.

Provincial Boards should be set up to advise Provincial Educational Authorities on problems connected with Secondary Education.

There should be an All-India Council at the Centre to act as a co-ordinating body for the proposed Provincial Boards.

Youth Movements, Scout Movements, etc., should be encouraged in all schools.

A number of Public Schools may be established to foster the growth of leadership among pupils. Admission to such schools should be governed by merit alone. There should also be provision for scholarships and free places up to 50% of available seats in such schools.

# COMMITTEE ON THE WAYS AND MEANS OF FINANCING EDUCATIONAL DEVELOPMENT IN INDIA, 1948—REPORT

Delhi, Manager of Publications, 1950. 78p.

(Bureau of Education, Pamphlet No. 64)

Chairman : Shri B. G. Kher.

Members : Dr. B. P. Adarkar; Dr. Tara Chand; Acharya Narendra Deo; Prof. Humayun Kabir; Shri Rustom P. Masani; Shri V. Narahari Rao; Shri N. R. Sarkar; Prof. K. T. Shah.

Secretary : Dr. (Mrs.) Bina Chatterjee.

## APPOINTMENT

The outline of educational development of the country has been laid down in the Report of the Central Advisory Board of Education known as "Post-War Educational Development in India" published in January, 1944. This Report has also supplied estimates of the cost of the various programmes and stages of educational development. The practical experience gained since then in the Provinces as well as at the Centre, however, indicates that the recommendations made in the above report require to be modified in certain material respects.

The question of our future programme of education was raised at the 14th meeting of the Central Advisory Board of Education and at the All-India Education Conference held in January, 1948. It was generally agreed that the period of 40 years laid down in the report for including an eight-year course of compulsory education must be curtailed and, if necessary for the purpose, the stage up to which compulsion should be enforced would also be reduced. It was, however, agreed that the period of compulsion would in no case be less than five years, i.e., for the age group 6-11.

The estimates of cost, as calculated in the report, were also out of date. Owing to increased cost of living, basic pay must be higher and dearness and other allowance must also be provided for.

It was decided to appoint a committee to examine the existing financial resources and the programme for educational development for all Provinces and States and to make suggestions to ensure that educational development may not be held up for want of funds.

## TERMS OF REFERENCE

(1) To consider in the light of present conditions the finance (recurring and non-recurring) required for the different stages of a comprehensive system of education in India.

(2) To consider the ways and means of raising the necessary finances by means of any or all of the following methods:

- (i) allocation of sources of revenue between the Central and Provincial Governments under the new Constitution; scope and extent of grants from the Central Revenue:
  - (a) to Provincial Governments;
  - (b) for Central All-India Schemes of Development;
  - (c) to Universities and other All-India Institutions;
- (ii) Levy of an Education Cess : Its feasibility and details of its levy, administration and distribution;
- (iii) Educational Loans: Purposes for which educational loans may be raised and the terms on which they should be raised and applied.

(3) To consider any other feasible suggestions for raising the finances for educational development programme.

## CONTENTS

Report of the Committee on Ways and Means of Financing Education; Appendix A—Terms of Reference; Appendix B—Extracts from the Memorandum for the Committee on the Ways and Means of Financing Educational Development by N.R. Sarkar, Finance Minister, West Bengal; Appendix II—Note on Educational Finance in the United Kingdom; Appendix III; Appendix C—Index to Tables: Part I—General; Part II—Compulsory Basic Education; Part III—Post Compulsory and Other Education; Part IV—Technical Education; Part V—Present Cost of Education.

## RECOMMENDATIONS

(i) The State must undertake the responsibility of providing at least Junior Basic Education for everybody without, however, detriment to existing facilities for Secondary and Higher Education. Special attention should be given to the provision of such higher studies as will be necessary for increasing the industrial and agricultural potential of the country.

(ii) The Provinces should aim at introducing Universal Compulsory Education for children in the 6-11 age group within a period of 10 years but if financial

conditions compel, the programme may be extended over a larger period but in no circumstances should it be given up.

(iii) The basic minimum salary of Trained Basic School teachers should be Rs. 40 per mensem and should on no account be reduced.

(iv) In view of the present emergency, the Committee, with great reluctance, agrees that only for five years, the teacher-pupil ratio may be 1 : 40 instead of 1 : 30, though from the educational point of view, this change would be most undesirable. The ratio of 1 : 30 should be restored earlier if possible, but in any case the position must be reviewed at the end of five years.

(v) In urban areas, where conditions justify, the same school buildings should be used for two shifts provided different teachers are employed in each shift.

(vi) Some increase in the fees in the post-compulsory stage of education, i.e., Senior Basic, Pre-Secondary and above, may be permitted, provided a substantial number of free places are available to meritorious students in straitened circumstances.

(vii) The Government may enact suitable legislation for ensuring that an adequate percentage of the income of all charitable trusts is allocated for expenditure on education provided that the Government may exempt certain specified types of trust, e.g., a medical trust, etc., from the operation of such law.

(viii) Students, after passing their Matriculation or equivalent examination, should, subject to such conditions as may be laid down, be required to serve as teachers for Adult Education for a period of at least six months and the Government may enact necessary legislation for the purpose.

(ix) Voluntary efforts should be encouraged for meeting the capital and recurring cost of education and voluntary organizations should be induced to run educational institutions with such assistance from the Government as may be feasible.

(x) Wherever conditions permit, loans should be raised for meeting the capital cost or such part thereof as may be necessary.

(xi) A fixed percentage of Central and Provincial Revenues—about 10% of the Central and 20% of the Provincial—should be earmarked for education by the respective Governments.

(xii) About 70% of the expenditure on education should be borne by the Local Bodies and Provinces and the remaining 30% by the Centre.

(xiii) All contributions for education approved by the Provincial or Central Government should be exempted from income-tax.

(xiv) The expenditure incurred on education by industrial or business concerns should also, if approved by the Provincial or Central Government, be treated as establishment expenses for purposes of income-tax.

## **WEST COAST MAJOR PORT DEVELOPMENT COMMITTEE REGARDING THE POSSIBILITY OF SITING A MAJOR PORT ON THE COAST COVERED BY KATHIAWAR AND CUTCH, 1948—REPORT**

**Delhi, Manager of Publications, 1949. Maps, 14p.**

**Chairman :** Shri Kasturbhai Lalbhai.

**Members :** Shri N. S. Sen; Shri S. N. Haji; Shri K. Mitter; Shri J. B. Murray; Shri D. Shankar.

**Secretary :** Shri V. V. Bhide.

### **APPOINTMENT**

The West Coast Major Port Development Committee was constituted under the Ministry of Transport vide their Resolution No. 19-P (53)/47 dated February 17, 1948.

### **TERMS OF REFERENCE**

I. (a) Whether a deep-sea port on the stretch of the coast covering Kathiawar and Cutch for the accommodation of ships of large size and tonnage at all seasons of the year is required;

(b) if so, where it should be sited, having regard to construction and maintenance costs, allied transport developments, possibilities of developing existing ports and the needs of the entire area to be served.

II. (a) Whether a deep-sea port between Murmu-

gao and Cochin for the accommodation of ships of large size and tonnage at all seasons of the year is required;

(b) if so, where it should be sited, having regard to economy of construction and maintenance of the port and allied transport developments required and having regard to the needs of the entire area; also what measures are necessary for establishing it;

(c) What improvements are necessary in communications to the existing ports; also what other measures should be taken for the development or provision of additional facilities in these ports as may be found necessary or desirable.

## CONTENTS

First Term of Reference I (a); The Necessity of Having a Major Port (Hinterland; Length of Coast Line; Loss of Karachi; Congestion in Bombay; Relief to Rail Congestion; Traffic Potential); Significant Events; Definition of Major Port; Ship Turn-round; First Term of Reference I (b); Method of Approach; (A) Needs of Entire Area, Estimated Traffic, Railway Connections, Ability to Meet Growth in Traffic, Area Reserved for Development, Land Appreciation; (B)

Marine Conditions; (C) Information on Existing Ports; (D) Rail Distances to Hinterland; (E) Visits to Ports; Investigation of Alternative Sites; Ports on the West and South Coasts of Kathiawar; The Gulf of Cambay; Bhavnagar; Port Albert Victor; Cambay; Dholera; The Gulf of Cutch; Navlakhi; Port Bedi; Port Okha; Sika; Salaya; Kandla; Other Possible Sites; Advantages and Disadvantages of Kandla; Future of Minor Ports; Summary of Recommendations; Implementation: (A) Major Ports; (B) Development of Bhavnagar Port; Conclusion; Appendices A to J.

## RECOMMENDATIONS

The need for a major port is immediate and imperative.

The major port should be sited at Kandla.

All the existing ports of Kathiawar should be placed under one Port Commission.

A concentrated effort must be made to get better dredging results at Bhavnagar so as to maintain an adequate depth of water at the berths.

After satisfactory dredging results have been obtained, one extra berth should be constructed, so that Bhavnagar can, to some extent, serve the area marked as Zone "B" in Appendix "G".

# INCOME-TAX INVESTIGATION COMMISSION, 1948—REPORT

Delhi, Manager of Publications, 1949. 276p. 2 parts.

Chairman : Sir Srinivasa Varadachariar.

Members : Justice G. S. Rajadhyaksha; Rao Bahadur V. D. Mazumdar.

Secretary : Rao Sahib H. S. Ramaswami.

## APPOINTMENT

The Income-tax Investigation Commission was constituted under the Government of India on February 28, 1948.

## TERMS OF REFERENCE

(a) To investigate and report to the Central Government on all matters relating to taxation on income, with particular reference to the extent to which the existing law relating to, and procedure for, the assessment and collection of such taxation is adequate to prevent evasion thereof; and

(b) To investigate any cases referred to it under Section 5 and report thereon to the Central Government.

## CONTENTS

Part I : Terms of Reference; The Background—Recent History of Income-tax Law in India; Recent History of Income-tax Administration; The Scope of the Reference—Some Suggestions Considered; Some Preliminary Steps Taken by the Commission; Recommendations; Substantive Provisions; Procedural Sections; Miscellaneous Recommendations; Administration; Summary of Recommendations.

Part II : Investigation Reports on Individual Cases.

## RECOMMENDATIONS

### Residents And Non-Residents

A radical change is both necessary and justified in the treatment by the Indian Income-tax Law of persons resident in the Indian States. Arrangements, legal or political, should be made so as to bring into the category of "residents" for the purpose of the Indian Income-tax Law at least such of the residents of the

Indian States as have business connections or sources of income in the Indian Union. So far as it concerns the assessment of persons, who derive taxable income from both the Union Territory and the State Territory, and of Indian residents deriving taxable income from State Territory, it must be arranged that the assessment may be made by the officers of the Indian Income-tax Department, subject to any arrangement between the Union and the State as to the division of the proceeds of the tax. The Assessing Officer should be able to exercise the same powers in the State as he has in the Indian Union for collecting information relevant to the assessment, and enjoy all the other facilities required to make those powers effective. As regards other categories of non-residents, it may be necessary to consider in due course the justification for or propriety of continuing the discrimination made in favour of British subjects and the approximate manner of dealing with residents of French and Portuguese Possessions in India and of Pakistan and Burma and Ceylon, who may have sources of income in India.

The special category of "Not Ordinarily Resident" be omitted.

The abolition of the special provisions relating to persons "not ordinarily resident" may have the effect of imposing a tax liability on some categories of Indians now living abroad in respect of their foreign savings which they may bring with them when they come over to India for good, because some of them may fall within the terms of Section 4 (1) (b) (iii). Appropriate provision should be made to exempt such costs.

Special Officers should be appointed to keep a watch on remittances sent abroad of profits made in India, and they must collect information from Exchange Banks and other Banks as to remittances to foreign countries and scrutinize them to see which of them are remittances in the ordinary course of trade and which are remittances of profits.

#### The Hindu Undivided Family

Legislation on the lines of Section 10 (4) (b) even in respect of joint family members, except so far as interest on self-acquired or separate funds lent to the family may be concerned.

A mere division in status of a Hindu family governed by the Mitakshara Law will only place such a family in the same position as a Hindu undivided family governed by the Dayabhaga Law. Both can appropriately be assessed as units. A division by *metes and bounds* would be necessary before the family assessment. Perhaps a real demand for division by *metes and bounds*, if not complied with by other

members, may create circumstances justifying individual assessment of the sharer who makes such demand.

#### Section 14 (1)—Effect Of The Decisions

Section 14 (1) may be recast as follows :

"The tax shall not be payable by an assessee in respect of any sum which he receives as a member of a Hindu undivided family out of income in respect of which the family itself has been, or can be, assessed as a unit."

#### Taxation Of Companies

When 60% of the profits of a non-public limited company has not been distributed as a kind of penal consequence an order has to be made under Section 23-A to the effect that the undistributed portion of the assessable income shall be deemed to have been distributed as dividend, it seems reasonable to provide that such notional distribution shall be subject to the provisions of Section 277-K of the Companies Act. In the case of Banking Companies, some portion of the profit is compulsorily transferable to the Reserve Fund.

#### Treating Salaries And Loans As Distribution Of Dividends

If it is clear that the Income-tax Officer has power to determine the reasonableness of the amount paid as salary to Directors and other principal persons behind the company in relation to the services rendered, no difficulty arises.

If loans should in certain circumstances be treated as distribution of dividends, they should be taken into account in the application of Section 23-A.

#### Partnerships

So long as the practice of creating nominal intermediary concerns with a view to show a reduced profit for the principal concern subsists, Income-tax authorities must have power to go behind the document and determine the person or persons into whose pockets the profits of the nominal partnership have gone. It is, therefore, necessary to insist that the production of a deed of partnership should not automatically entitle the person producing it to have it registered by the Income-tax authorities and that registration should not preclude the authorities from going behind the document, if there arises ground for suspicion, and determining who has the real control over the income.

#### Mutual Associations

The recent decision of the Privy Council in English and Scottish Joint Cooperative Wholesale Society, Ltd., vs. Commissioner of Income-tax, Assam (1948), 2 M.L.J., p. 242, may call for a reconsideration of

some of the Indian decisions and the Income-tax Department itself may have to reconsider certain questions in the light of the rationale of the Privy Council judgment.

#### Life Insurance Companies

The logic of the claim for the full exclusion of the bonus amount, before arriving at the taxable income of a life insurance company on the valuation surplus basis, is not altogether unassailable.

In Rule 2 (d) of the Schedule to the Income-tax Act, the figure 15 be substituted for the figure 12. This will mean that as regards renewal premium the allowance for the expenses will be 15% of such premium instead of 12% as at present. The rest of the rule, viz., that relating to 90% of the first year's premium where the premium-paying period of the policy is 12 years or more and 7½% of the first year's premium multiplied by the number of years for which premiums are payable where the premium-paying period is less than 12 years, will stand.

#### Mutual Insurance Associations

In view of the decision of the House of Lords in *Inland Revenue Commissioners vs. Ayrshire Employers Mutual Insurance Association, Ltd.* (1948 I.T.R. Supp. p. 80), it is doubtful whether there can be any "profits" arising out of the business of mutual life insurance associations. The Government must make up its mind whether it is going to treat mutual insurance transactions as transactions yielding profits. If it so decides, it must specifically use charging words to make the surplus arising from such transactions liable to tax, or declare "income" as including, in the case of mutual insurance companies, the surplus arising from transactions with members. This criticism may not apply to taxation of the investment income of the company as interest and not as profits.

#### Religious And Charitable Trusts

From the observations of Lord Hobhouse in *Webb vs. England* (1898 A.C. 758) it would seem to follow that the exemption from taxation of income according from property set apart for the benefit of religious and charitable trusts will be available only in cases in which the purpose of the trust substantially relates to anything done within this country. If this view commends itself to the Government, it would be desirable to enact the same clearly by the addition of the necessary words to Section 4, Sub-Section (3), Clause (i).

#### Collection And Information At Source

The obligation to give verified information on requisition may be imposed on any person who may be

assumed or suspected to have made payments of rent, premium, interest, commission, royalty, brokerage, annuity, etc.

#### Advance Payments And Interest Thereon

If the assessment is not completed before the end of the assessment year, the assessee who has made an advance payment can legitimately claim that he should not be made to suffer for the delay on the part of the Department. In this view it seems to us right to allow interest to the assessee at least at 4% on the deposited amount from the close of the assessment year, except where the completion of the assessment before that date has been prevented by the conduct of the assessee.

#### Deductions And Allowances

On the question of expenses incurred for business purposes, we recommend that Income-tax Officers may be instructed not to be unduly strict about the amount of expenditure under heads like motor cars maintained and entertainments and amenities provided for the benefit of customers so long as they are satisfied that such amount was actually spent and that no attempt was continuously made to pass off private expenses as business expenses.

#### Stock Valuation

It may be made compulsory on Auditors to certify the correctness of the stock and not to rely on the certificate of the Manager, and that the Income-tax authorities should be given power to check stock lists at or about the time of their preparation and to enter premises to satisfy themselves that the stock lists are accurate.

#### Usufructuary Mortgages

We recommend the adoption of the advice given by the Ayers Committee that the income derived by a usufructuary mortgagee of agricultural land be excluded from the definition of "Agricultural Income" in so far as it represents interest payable to him on the mortgage loan.

#### Premium On Leases

Premia received in connection with leases should be treated as part of the lessor's taxable income.

#### Unclaimed Balances

We recommend that unclaimed and waived surpluses to the credit of customers, suppliers and employees to the extent they are made up of deductions or allowances previously allowed as admissible expenditure when determining assessable income may be deemed to be profits if they have remained unpaid for over

three years. It is not intended to compel the trader or employer to plead limitation.

### Superannuation Funds

The provisions of the Indian Act with respect to Superannuation Funds need to be amplified and a general power must be given to the Central Board of Revenue to make rules or regulations as has been given to the Commissioners in the United Kingdom under Section 32 of the Finance Act of 1921. We further suggest that provisions should be made in the Act itself similar to Regulation 8 of Superannuation Funds under the U.K. Act as amended in 1931, as an exception to the proviso to Explanation 2 of the Indian Income-tax Act.

Suitable amendments may be made in the Indian Act restricting the maximum limit to which the contributions by the employee and employer may be made to 25% of the employee's salary.

### Super-Tax On Associations

The second proviso to Section 55 should be recast so as to permit an assessee's share in the profits of an unregistered firm or other association being included in his total income even though such profits have suffered super-tax. The assessee should, however, get credit on the analogy of Section 49-B for the super-tax paid by the firm or association in respect of his share of the income of the firm or association.

### Avoidance And Evasion

An explanation may be added to Section 16, Sub-Section (3), to the effect that for the purpose of that Sub-Section the word "Child" shall include adopted child, foster child, step-child, illegitimate child and grandchild.

It is desirable to make express provision in respect of shares standing jointly in the name of a person and his wife or his minor child. The appropriate provision will be that where the wife or child became entitled to an interest in the shares without any contribution direct or indirect by or from the estate of the other joint holder (being the husband or ancestor), each of the joint holders must be assessed separately in respect of the dividend in proportion to their beneficial interest in the shares. In other cases, their share of the dividend should also be treated as part of the income of the husband or ancestor, as the case may be.

### Bankruptcy And Winding-up

The language of Section 230, Sub-Section (1) of the Indian Companies Act should be amended at least to the extent of allowing preferential payment of one year's assessment if assessed for a period anterior to the winding-up, notwithstanding that the assessment is

not made until after the winding-up. Whether the period for which priority could be claimed can reasonably be extended to more than one year is a matter for consideration.

It is desirable also to make express provision for tax leviable in respect of profits (if any) earned after the commencement of the winding-up or bankruptcy.

### Submission Of Returns

An Income-tax Officer may require every person to submit a return if his total income in the previous year does not fall short of the maximum amount not chargeable to income-tax by Rs. 500.

Failure to submit a return under Section 22 (1) may be made an offence if the income of the person is found to exceed the maximum amount not chargeable to income-tax by more than Rs. 2,000.

It is desirable to empower the Inspectorate staff to examine the accounts and to take sworn statements from persons whom an Inspector has reasonable grounds to believe to be persons with a taxable income.

### Maintenance Of Accounts

Maintenance of accounts should be encouraged by accepting them wherever feasible, unless the defects disclose a desire to conceal profits, or the accounts are so badly kept as to make them useless. The Central Board of Revenue should issue directions in this sense.

Income-tax Officers should have power to :

- (1) pay surprise visits to the houses of assesseees and their business premises;
- (2) search for account books and seize them, if necessary; and
- (3) call for succeeding year's account books.

Primary and subsidiary account books should be preserved for a period of at least four years.

Income-tax Officers should have power to call upon Auditors to disclose the names of the businesses whose accounts they have audited.

### Best Judgment Assessment

An effort should be made to maintain records of market conditions and of statistical data with regard to the rise of prices and such other matters so that when the time of assessment comes the Income-tax Officer may have some material on which to make as fair an estimate as possible of the profits of the business under assessment.

### Penalties

The discretion of the Income-tax authorities to regulate the quantum of penalty should be retained.

With regard to the penalty under Clause (c) of Section 28, the element of *mens rea* should not be



done away with altogether. The Clause should be recast on the lines of Sections 329 and 330 of the Codification Committee's draft making a distinction between a person who submits an incorrect return negligently and a person who submits such a return fraudulently. The penalty in the case of the latter may be heavier than in the case of the former.

Imposition of a penalty should not be merely mechanical, and judicial discretion should be exercised in the matter.

#### Secrecy And Publicity

The principle of secrecy and confidence attaching to the Income-tax proceedings is not to be lightly violated, but it is equally important that these principles should not afford a cloak to the assessee to make reckless statements in order to avoid tax liability with the assurance that such statements will not involve him in any serious consequences.

The proposal of giving wide publicity to persons who are found to have made gross understatements of their income may be dropped.

#### Cancellation Of Assessments, Revision And Review

Freer use may be made, especially in cases decided under the proviso to Section 13 or under Section 23(4), of the power under Section 27 to cancel assessments, particularly where the Income-tax Officer is satisfied that the true accounts of the assessee are forthcoming at that stage.

Where justice cannot be done by the exercise of the revisional powers under Section 33-A, or by way of rectification under Section 35, a limited power of review may be conferred on the Income-tax authorities similar to that possessed by the Civil Courts on discovery of new material which could not have been produced with due diligence during the original proceedings.

#### Appeals

There should be a right of appeal, (1) against an order under Section 35 (rectification), and (2) against an order of an Appellate Assistant Commissioner refusing to extend the time for filing an appeal or dismissing an appeal as not filed within time.

There should be a right of appeal against an order appointing a person as an agent of a non-resident.

#### Stay Of Recovery Proceedings

Specific provision should be made in the Act enabling the Appellate Assistant Commissioner, the Appellate Tribunal, the Commissioner or the High Court to stay the recovery of the tax, penalty or interest pending the disposal of the appeal, application or

reference, as the case may be, to the extent to which such tax, penalty or interest is in issue before them.

#### Appellate Procedure

It would be unfair to forbid the production of evidence at the appeal stage, where the assessee had no opportunity to produce the necessary evidence or was not sufficiently informed of the points on which evidence was required to be adduced. But the Appellate Assistant Commissioner should not allow fresh evidence to be brought on record in cases where the relevant material was wilfully withheld by the assessee before the Income-tax Officer. In order to enable the Appellate Assistant Commissioner, or the Appellate Tribunal, to decide whether the evidence was wilfully withheld, the Order Sheet should show what opportunity was given to the assessee to adduce evidence and on what points evidence was required to be produced. Notice under Section 22(4) should indicate with some degree of precision what documents and accounts were required to be produced. All this may be provided for by a statutory rule.

#### Refunds

It should be possible to expedite the work of refund with some planning and proper supervision. Where the staff is inadequate, it should be brought to the proper strength required for quick disposal. The Central Board of Revenue might consider if some system on the lines indicated in Para. 125 of the Report of the Departmental Committee on Income-tax in the United Kingdom might not be adopted with profit.

Section 50 may be suitably amended so as to provide that an application for double Income-tax relief in cases falling under Sections 49, 49-A and 49-D may be made within one year from the date of assessment either in India or in a foreign country, whichever is later, in spite of the fact that the period prescribed for making such claims under Section 50 may have expired.

#### Powers Of Income-tax Officers

Income-tax Officers should have powers to gather relevant information, particularly (1) to deal effectively with persons suspected of having black-market dealings; (2) to enter business premises and inspect accounts maintained therein, place identification marks thereon, and make copies therefrom and, if the officer has reason to think that they may not be forthcoming when required, to impound them; (3) to make a search of places where there are reasonable grounds for believing that relevant books and records have been kept; and (4) to call for relevant information from banks and other business houses.

## Inspecting Assistant Commissioners

In a large majority of cases, assessments may continue to be made by the Income-tax Officers as at present, but there should be no interference whatsoever by the Inspecting Assistant Commissioner in respect of pending assessments. If a case is of any special difficulty, it would be desirable that the whole assessment should be done by the Inspecting Assistant Commissioner himself by taking advantage of the provisions of Sub-Section (5) of Section 5. Such cases should be investigated by the Income-tax Officer but the assessment should be made by the Inspecting Assistant Commissioner. It should be provided that, from the order of the Inspecting Assistant Commissioner in such cases, appeal shall lie direct to the Appellate Tribunal.

## Appellate Assistant Commissioners

The experiment begun in 1938 should be carried forward, and Appellate Assistant Commissioners should be removed from the control of the Commissioners and the Central Board of Revenue, and should be placed under the Appellate Tribunal. Their leave, transfers and postings should be in the hands of the Tribunal.

## Appellate Tribunal

Some adequate machinery should be devised, after consultation with the Tribunal, for the reporting of the decisions of the various Branches, and also for the conflict in the decisions being resolved by a Full Bench of the Tribunal.

Whenever a conflict exists between the decisions of two High Courts, it should be within the power of the Tribunal to refer the point of law for the opinion of the Supreme Court, whose decision will be binding on all the High Courts.

The Tribunal should have power to order costs to be paid in any appeal pending before it. It should also have discretion to order that the whole or part of the fees paid by the appellant assessee under Sub-Section (3) of Section 33 be refunded to the appellant, depending upon the degree of success which such appellant has obtained in his appeal.

## Miscellaneous

Section 2(11) : It is necessary to link up the option given to an assessee to say when his "previous year" ends under Clause (c) with a similar option under Clause (a) so that the profits of some period of the business may not escape assessment. The option under Clause (c) should be exercisable within 12 months of the setting up of the business.

Section 4(1)(b) : As it has been held that the remittances made during the accounting year cannot

be assessed as "profits" of that year, because no "profits" can arise until the accounts are made up at the end of the year, a provision may be added as another explanation after the Explanation (1) to Section 4(1) that where remittances are made to or received in the Indian Union by a person earning income outside the Union, and it is ascertained that the accounts were made up in respect of the year during which the remittance was made, that such person earns a profit in the business carried on by him outside the Union, such remittances made to the extent to which they could have been sent out of the ascertained profits be presumed to have been remitted out of such profits.

In Explanation 2 to Section 4(1), the words "and not being pension payable without India" may be omitted, as there is no longer any need or justification for that exemption.

Section 4-A (b) : It should be safer to insert the expression "in any year" in Sub-Section (v) of Section 4-A, and the Sub-Section may be recast as follows :

"A Hindu undivided family, firm, or other association of persons is resident in British India in any year in which the control and management of its affairs is not situate wholly without British India."

Section 10(2) (vii) : This Clause should be amended by the inclusion of the words "or furniture" so as to permit allowance being claimed for furniture which has been sold or discarded.

Section 45 : It should be provided either in Section 29 or in Section 45 that the time allowed for payment of tax should be not less than a month.

## Administration

Recruitment : Recruitment to the cadre of Income-tax Officers should be made partly directly through the Federal Public Service Commission and partly by promotion from the subordinate ranks.

The proportion of promotions from the subordinate ranks to direct recruitment to the Income-tax Officers' cadre should be one-third to two-thirds and, once a person is promoted to Class I Service by this method, no distinction should be made on account of the method of his recruitment in his future prospects and promotion.

## Training Of Officers

The training to be given to Officers directly recruited to the Department should be improved in the direction of giving them greater experience of outdoor work such as Survey and Inquiries and more varied acquaintance with accounts, particularly of important trades and industries.

The training scheme should also include training of non-Gazetted subordinates.

### Organization And Distribution Of Work

A change in the duties of the Directorate of Inspection is recommended.

The Directorate might concentrate more on developing and maintaining an Investigation Branch in addition to its present duties. It might also be in charge of special assessment circles.

The designation of the Director might be changed to that of "Chief Commissioner of Income-tax" with a status corresponding to that of the Deputy Chief Inspector of Taxes under the U.K. system.

Jurisdictions of Income-tax Officers should be rearranged so as to provide for multiple Income-tax Officers' jurisdictions in preference to single Income-tax Officers' jurisdiction.

### Inspectors And Survey

More importance should be given to Survey than is given at present and the staff of Inspectors may be increased for the purpose, if necessary.

### Investigation Branch

The Investigation Branch should be expanded and strengthened.

### Equipment

The equipment and furnishings in the Income-tax offices should be improved and better accommodation should be made available for both Income-tax assesses and the offices.

### Relations With The Public

The Income-tax Officer must show by his conduct that he is not the tax-grabber he is described to be but a referee standing between the State on the one hand and the tax-payer on the other, with the sole idea and desire that both get a square deal.

Commissioners, Assistant Commissioners, Director of Inspection and the Member of the Board might advertise their tours and arrange them so as to be able to meet Associations and assesses more frequently.

## RAILWAY GRAINSHOPS ENQUIRY COMMITTEE, 1948—REPORT

New Delhi, Ministry of Railways, 1948. 48p.

Chairman : Shri Mohan Lal Saksena.

Members : Shri K. Santhanam; Shri Khandubhai Kasanji Desai.

Secretary : Shri K. L. Gheir.

### APPOINTMENT

The Railway Grainshops Enquiry Committee was constituted under the Ministry of Railways vide their communique dated February 28, 1948.

### TERMS OF REFERENCE

(i) Whether the existing scheme of supplying food-stuffs and other commodities to railway employees at concessional rates is fair and equitable as regards categories of staff admitted to the concession, range of commodities, quantities supplied and the rates charged, and whether the organization is efficient and economical as regards procurement, stocking and distribution, and otherwise capable of giving the most satisfactory results.

(ii) Whether the overhead charges are reasonable.

(iii) Whether the existing methods of accounting, inspection and control are adequate;

(iv) Whether the losses that are being incurred are reasonable in the circumstances;

(v) Whether the present system requires to be modified or altered in any respect.

(vi) Whether the present system may be wholly or partially replaced by any other system while retaining all those benefits of the existing scheme to which the workers are reasonably entitled and keeping the cost within the limits which the Railways can afford.

### CONTENTS

Introductory (Assembly Debate and Appointment of Committee; Terms of Reference, Tour and Mode of Enquiry, Acknowledgments); Historical Development (Origin and Growth); Review by a Sub-Committee of the Standing Finance Committee for Railways; Further Development and Range of Commodities; Recommendations of the Central Pay Commission; Collective Option by All-India Railwaymen's Federation; Working of Grainshops (Eligibility for Concession—Categories of Staff, The Family; Organization, Procurement, The Retail Shop, Commodities; Corruption); Financial Results (Financial Transaction; Cash Dearness Allowance on Railways; Dearness

Allowance for Other Central Government Employees; Analysis of Loss; Average Loss Per Employee; Overhead Charges; Findings (First Term of Reference; Second Term of Reference; Third Term of Reference; Fourth Term of Reference); Recommendations (Abolition or Limitation; Individual Option; Eligibility for Concession; Future Management; Co-operative Stores; Control by the Railway Board; Conclusion); Appendices I to VI.

## RECOMMENDATIONS

There should be no question of retaining the grainshops as a permanent part of the Railway Administrations, though during the transitional stage the shops may continue to cater only for essential commodities on a uniform basis. Adequate arrangements should be made to ensure regular supplies at all the shops of these articles, the quantity being such as can satisfy any reasonable person.

The new grainshops should supply the essential articles at uniform concessional prices, fixed at a little lower than the average of the present selling prices on Railways, and on scales noted below:

(i) Cereals: Excluding rationed areas workers should be free to take their entire ration in wheat or rice of medium quality. The scale should be increased for the worker himself from 12 oz. (6 chhattacks, to 1 lb. (8 chhattacks) per day with the usual 12 oz. (6 chhattacks) for other adult members of the family including dependants. The distinction between heavy manual workers and others should go. The concessional sale price for wheat and rice should be 2½ annas per seer.

(ii) Pulses: Including gram, not more than three varieties of pulses, common to the area, should be stocked, and each worker should be allowed to take only two. The scale of ration should be rationalized to two seers per unit per month, the employee himself being allowed four seers with a maximum of 12 seers per family. The concessional sale price should be four annas per seer.

(iii) Cooking Oils: Not more than two varieties of cooking oils should be available in any shop and the scale of ration should be two seers per month for the first unit and one seer per additional unit subject to a ceiling of six seers per family. The concessional sale rate should be eight annas per seer.

(iv) Salt: The scale should be one seer per unit with a family limit of five seers per month and the selling rate one anna per seer.

(v) Matches: Six boxes of matches per card per month may be supplied at the rate of six pies per box.

The Purchasing Organization should be improved and simplified. Supplies of wheat and rice should be obtained from the Food Ministry of the Government of

India, either out of the imports or out of the purchase made by surplus areas. In the Provinces where this is not feasible, small joint organizations consisting of representatives of the various Railways working in these Provinces should be created for purchasing grains. Pulses, cooking oils and salt should be purchased through open tenders. For this purpose joint Boards of Railways should be created in Bombay, Madras, Calcutta, Lucknow and one or two other places, consisting of Grainshop Officers, Accounts Officers, and two representatives of Labour Unions. Purchase of matches should be arranged for directly by the Railway Board from the factories.

Staff participation in the grainshop management should be secured through a single Grainshop Committee attached to each shop consisting of two nominees of the Railway Administration (to act as Chairman and Secretary) and one elected representative for every 200 (in workshop 500) workers. These Committees should be given powers to decide all matters relating to shops except the appointment of staff, accounts and cash.

A Sub-Committee of the Grainshops Committee should be responsible for checking the quality of articles supplied according to the tender samples.

Non-concessional supplies should not be permitted and in the new grainshop scheme, employees getting a basic pay of Rs. 250 or more should not be entitled to any concessional supplies.

Casual labour, i.e., temporary labour recruited for specific works and specific periods, should be paid at market rates and not given gainshop concession.

No new recruit to the Railway services should be entitled to gainshop concession.

Railway workers should be given individual option to choose either the new grainshops or the dearness allowance admissible to other Central Government employees. If an employee opts for the latter, the option should be taken as final and he should, in no case, be allowed to revert to the gainshop concession. A date should be fixed before which the individual option should be exercised—a period of two months after the acceptance of this scheme by the Government is suggested.

If the exercise of individual options makes the running of a static or a mobile shop in some area impracticable, Railway Administrations should be free to make local arrangements for the supply of prescribed commodities for those who have not opted out or, where this is not feasible, treat them as if they have opted out.

Workers drawing Rs. 50 and less who exercise their option in favour of cash allowance should be given a single lump sum payment, not to be regarded as a permanent addition to the dearness allowance,

according to the various areas of dearness allowance as follows:

"X" Area...Rs. 120

"A" Area...Rs. 90

"B" Area...Rs. 60

"C" Area . Rs. 30

The workers should be entitled to this payment only if the option is exercised within the period stipulated above and if at any future time they have to revert to the cash allowance applicable to other Central Government employees no such payment should be made.

In view of the universal demand of the workers on the Eastern Punjab Railway all grainshops should be immediately closed down and the workers put on the Central Government dearness allowance scales, employees drawing a basic pay of Rs. 50 and less receiving the lump sum payment suggested above.

Earnest efforts should be made to promote autonomous Co-operative Stores confined to particular areas, entirely managed by Railway servants without Railway Administrations having any direct responsibility for them except the provision of premises at nominal rent and a subsidy amounting to not more than half the administration and shop charges for the first three years subject to the Provincial Co-operative Department certifying to their proper working.

M. & S. M. and S. I. Railway Administration should invite the Triplicane Urban Co-operative Stores of Madras to open branches in areas in Madras City now served by the Railway Grainshops.

The Railway Board should keep a close watch and co-ordinate the activities relating to grainshops on railways. Proper disposal of stocks of commodities which are to be discontinued should be ensured so that no avoidable loss occurs.

## ADVISORY COMMITTEE FOR HIRAKUD DAM PROJECT 1948—REPORT

New Delhi, Ministry of Works, Mines and Power, 1948. 57p. Charts

Chairman : Shri J. L. Savage.

Members : Shri L. L. McClellan (not joined); Shri M. Narasimhaiya; Shri S. A. Gadkari.

### APPOINTMENT

The Advisory Committee for Hirakud Dam Project was constituted under the Ministry of Works, Mines and Power vide their letter No. D. W. 106 (112) dated March 12, 1948.

### TERMS OF REFERENCE

To give advice to the Central Water, Power, Irrigation and Navigation Commission on the Project in general and its technical and other features.

### CONTENTS

Letter of Submission; Summary of Recommendations; Part I; Part II; Part III; Enclosures; Figures.

### RECOMMENDATIONS

For the design of the reservoir for flood absorption the recommendations of the Consulting Engineer with the Government of India as made in his note dated May 12, 1948 (Enclosure I), be adopted.

The silt observations of 1947 having given higher

figures of silt load than assumed in the project report, the silt reserve as now recommended by the Consulting Engineer be adopted and the dead storage level be fixed at 590.0 accordingly.

Taking the flood reserve and silt reserve as under Items 1 and 2 the maximum reservoir level will be R. L. 625.0 (adequate for 100-year flood) and this may be fixed as the reservoir level. The lands coming under submersion will be acquired up to this level.

A free board of 10 ft. be allowed above R.L. 625.0, the top of the dam being R. L. 635.0. A 4-ft-high parapet be provided all along. In the case of 1,000-year flood and 10,000-year flood the free board will be encroached to the extent of 5 ft.

The regulated flood of 780,000 cusecs should be arranged to be disposed of through deep-set sluices adding 10% to 20% extra capacity for gates under repairs, etc.

Two siphons of Ganesa Iyer Volute type be put in as an experimental measure.

The difference of regulated flood between the 10,000-year and 100-year floods, i.e., 830,000 minus 740,000 cusecs, should be provided for through emergency spillway siphons including Ganesa Iyer Volute siphons.

The main dam in the two branches of the river to be of concrete, the right section (which will provide for the necessary penstocks for the power house, locks, fish ladder, etc.) will be 1,570 ft. and the left section (housing the deep-set sluices) will be 2,475 ft.

The main dam on the Kolarikud and Hirakud islands including the deep section in between to be of earth. The remaining length on the left bank will also be of earth. The lengths will be 6,725 ft. and 4,165 ft. respectively.

The sections of the concrete and the earth bund for the main dam as designed be adopted.

The dykes should be of earth as designed; precautions for cut-off and creep walls being taken where the depth of water exceeds 25 ft.

The modified proposals of Mr. Khosla for the power channel be adopted, as they result in economy and efficiency of power operation.

Pending detailed surveys of canals and further investigation, the proposals for irrigation made in the project report be adopted. Under lift irrigation, however, the provision for one-third of the proposed area in the first instance, or, say, 100,000 acres, be made in the estimate. The location and the manner in which this is to be planned to be fully investigated.

The storage in the reservoir earmarked for irrigation will remain unaffected.

The duties proposed for different crops be adopted.

The water rates proposed in the Project Report may be adopted—the position being reviewed at the end of eight years after irrigation commences.

In view of the magnitude of the problem and the period of six years fixed for the completion of work, the question of resettlement and rehabilitation of people that will be displaced by submersion of their villages and lands to be taken up at once.

Steps for overhauling the delta irrigation in the Mahanadi Valley to be taken up at once as also the investigation to utilize the continuous supply of 8,000 to 10,000 cusecs in dry weather for extension of rabi crop cultivation and bringing new areas under irrigation.

The proposal of Sir M. Visveswaraya to divert Mahanadi waters to the Chilka Lake with the possible generation of power and irrigation of large tracts in the southern delta should be fully investigated.

To achieve these objects expeditiously a special division under the Central Water, Power, Irrigation and Navigation Commission should be immediately constituted.

Soil surveys in irrigated areas must be carried out soon for purposes of crop planning.

Malaria surveys in the area should be conducted to prepare schemes for preventing increase of malaria incidence.

The present laboratory set up in connection with

investigations should be expanded to deal with soil materials, aggregates, cements and concrete.

The questions such as soil conservation, fish culture, industrial survey, agricultural survey should receive attention as a part of the multi-purpose development.

For the development of irrigation in Kharif and Rabi seasons, the Development Committee should pay attention to organize propaganda for better cultivation research station, agricultural farms, demonstration plots in representative areas.

The question of the levy of water rates and payment of part of additional profits by tenants in lieu of betterment tax should be studied.

Immediate steps should be taken to set up an organization for preparing specifications, details of design, working at schedule of quantities for power house and grid sub-station equipment, etc.

Preparation of papers for calling tenders for power house machinery, switch-gear, transformers, etc., should be taken in hand early.

Design of towers and other structures for extra high tension lines should be undertaken.

Steps to be taken to make arrangements for the manufacture of towers for different voltages in this country.

Installed capacity of six units of 37,500 KW in Power House No. 1 and four units of 24,000 KW in Power House No. 2, giving maximum primary power of 218,000 KW may be catered for, while the secondary power should be generated and the necessary machinery and equipment installed only after the primary power is booked for sale.

Local distribution work should be undertaken by the Government as it is a very profitable concern. Therefore, necessary cost may be provided for in the project.

The navigation question should be taken up at once and investigations of the Dhamra Port pursued with vigour.

The staff engaged on this scheme should be given special concessions in the shape of construction allowance, rent-free quarters, etc., in view of the arduous nature of the work.

The programme of work to complete the work in six years be adopted. Month-by-month programmes for these years should be worked out, before October, 1948, so that a basis may be readily available for the building up of a suitable and adequate organization and collection of equipment.

The project as envisaged should be started at once and pushed through with vigour to completion as it will usher in an area of incalculable benefit to Orissa and open up a vista of great possibilities of industrial expansion and increased food production.

# SAILING VESSELS COMMITTEE, 1948—REPORT

New Delhi, Ministry of Commerce, 1949. 62p.

Chairman : Shri C. A. Buch.

Members : Shri M. C. Veerabahu Pillai; Shri B. M. Desai.

Secretary : Shri G. Dattatreya Rao.

## APPOINTMENT

The Sailing Vessels Committee was constituted under the Ministry of Commerce vide their letter No. 19 M. IV (2) 48 dated May 24, 1948.

## TERMS OF REFERENCE

To examine and report on the steps necessary to ensure the fullest utilization of Country Craft (Sailing Vessels) to sustain and develop the economy of the country and *inter alia*, to prevent wasteful competition between country craft and steamers, due regard being paid to the different needs served by the two classes of transport.

## CONTENTS

Prefatory; Procedure of Enquiry; The Set-up of the Trade; Organization of the Industry and Rationalization of Traffic; The Sailing Vessel Defined; Registration of Vessels; Measurement of Vessels and Load Line; New Construction; Seamen; Jettisoning; Auxiliary Power; Port Facilities; Organization of the Industry; Economic Structure; Wages Structure—Seamen; Reservation—Ports—Commodities; General; Conclusion; Recommendations; Appendix A to F.

## RECOMMENDATIONS

### Legislative

The Control of Shipping Act, 1947, as amended by the Control of Shipping (Amendment) Act, 1948, should be further amended to define "SHIP" 2 (e) "to include sailing ships as are employed in the "Coasting Trade" as defined in this Act 2 (a) as also in adjacent and overseas trade of India". A coasting vessel under sail, so long as the extant smallish vessels are in commission in the Coasting Trade, shall be of 40 tons or over, subject to such vessel being of a type and equipment which, in the opinion of the Government, would render the vessel fit to be regarded as a "Coasting Vessel". This limit ultimately should be raised to 60 tons or over.

A Special Officer under the Director-General of Shipping, not below the existing rank of an Assistant Controller of Shipping, should be appointed and he should be declared a "Shipping Authority" for ship-

ping under sail, as defined under the above Act 2 (f) and be vested with the responsibility and authority of taking all such steps as would assist to ensure a more evenly balanced economy in the traffic under sail.

The Customs and Port Officers at various ports as are frequented by sailing ports as are frequented by sailing ships shall represent the authority of the above Officer within their own jurisdictions as Regional Officers (Sails) and shall have the responsibility and authority to carry out all such directives as may be issued to them by the said Officer. The Regional Officers (Sails) also shall be assisted by Local Advisory Committees representing all direct and allied interests in the industry. These Local Advisory Committees may be invited to send delegates to the Annual or periodical meetings of the Central Advisory Committee.

Suitable amendments should be enacted whereby sailing vessels may come within the operation of the relevant Section of the Indian Merchant Shipping Act of 1923 especially with regard to surveys, safety appliances, etc., or to exempt partly or wholly such sailing vessels which are fitted with auxiliary engines from the overall operation of Sections like Section 3 of that Act.

### Trade

No individual or firm should be allowed to do business as a "sailing ship broker" or broker-cum-agent unless he is in possession of a licence. The licence may be made valid for a period not exceeding three years after which it may be renewed on application from the holder.

Such licences shall be valid only for the port or ports or districts specified therein.

### Traffic—Jettisoning

All "Protests" involving loss of life or cargo or damage to cargo by jettisoning or otherwise shall be noted and lodged only with the Assistant Controller of Shipping (Sails), or with his corresponding Regional Officers at various ports and not before a Notary Public; and the Master of the vessel or his agent lodging such Protest shall, along with the Note of Protest, lodge the following papers with the authority concerned, namely:

- (a) a Bond countersigned if so demanded by the authority concerned by a scheduled bank or by two approved sureties or a personal bond

by the owner or his local Agent for an amount equivalent in cash to 25% of the damage assessed on the cargo or to the invoice value of the cargo lost;

- (b) the ship's licence;
- (c) the Master's licence and, if the ship carries a Mate, the Mate's licence.

### The Ship

Every vessel that is classed on the Register as a "Coasting Vessel" which shall include a vessel meant for adjacent or overseas trades shall have to be in possession of a licence issued under the Control of Shipping Act (1947) or any other enactment in that behalf that may come into force hereinafter.

All existing vessels of 40 tons or over and under the Indian Flag may be granted a licence as a "Coasting Vessel" but no vessel, whose keel has been laid after these recommendations become operative, shall be granted such licence unless its tonnage is 60 or over. Such licence shall not be granted to vessels which are specially designed to act as barges or lighters and are not deemed by competent Government authority to be fit to move out of sheltered waters for the time being or permanently.

Every Coasting Vessel, irrespective of its size or type, shall carry such life-saving appliances as are prescribed from time to time by a competent authority. Failure to do so shall be liable to result in suspension or cancellation of a ship's licence as well as the licences held by the Master and the Mate of the vessel and to penalties as may be prescribed by the Government under relevant Sections of the Indian Merchant Shipping Act.

The licences of Master and/or Mate are liable to be cancelled if the vessel under their charge, whether under way or at anchor, whether in port or on the high seas, fails to display the prescribed regulation lights from sunset to sunrise, or such signals as are prescribed during hours of daylight.

A consolidated Register for all sailing vessels registered at any Port of Registry in India shall be maintained in the Directorate-General of Shipping—port by port—and in serially progressive numbers, containing all the particulars referred to in paragraph 36, 38 and 39 above and excerpts from this and regional registers should be made available to the public for a prescribed fee.

The owners and builders of all future coasting vessels shall have the construction of their vessels inspected and supervised by approved shipwrights and surveyors appointed by the Government for the purpose at every such stage of construction as may be prescribed.

### Floating Personnel

Every Master of a Coasting Vessel not under 40 tons

in existence at present, who has acted as a Master of a Coasting Vessel for at least 12 months precedent to this recommendation being operative, shall be issued, against a prescribed fee, a "Master's Licence", which licence shall be duly endorsed with the following or similar words, namely:

"This licence is by no means any testimony of the ability or competency of the holder to be the Master of a Coasting Vessel under sail but is only to establish his identity. Without this licence he is disqualified to take charge of a vessel as Master. It is liable to be endorsed, suspended or cancelled if the holder thereof is found guilty of any breach of regulations regarding the vessel under his charge, or its navigation and/or of any negligence or misdemeanour whatsoever as Master of the vessel."

The Government should actively encourage the introduction by official or non-official administrations in the country, of pre-sea or post-sea training in nautical subjects especially in scholastic and technical institutions and Fishery Schools, more so in coastal regions by sanctioning Central and/or provisional grants and scholarships to such schools or institutions who undertake to impart theoretical and/or practical instruction in these subjects.

Seamen employed under sail on Coasting Vessels, or on vessels plying in overseas trades should by right be regarded as Merchant Navy Personnel and be included in all welfare schemes like Seamen's Societies, Homes, Clinics, Clubs, Cloth and Ration Shops, etc.

### Port Facilities

The Government should direct all such quasi-official and official administrations like Port Fund Committees, Port Administrations as also Governments of Maritime Provinces to make adequate provisions in ports under their jurisdiction for sufficiently deep, lighted and buoyed channels, anchorage, quay space, etc., for sailing vessels, for expeditions and economic working of cargo, docking and repair facilities, etc., and to equip a few minor ports with facilities like loading and unloading berths alongside quay walls with adequate linear footage, cranes, warehouses and/or all-weather sheds (and sidings where Railways exist) and a fair sized drydock or slipway about 100 ft. by 30 ft. to be used by sailing vessels, as also ample sea-room and deep enough anchorage for at least six ships of 100 tons or over. The minimum depths in approach channels, anchorage area and alongside quay walls should be 12 to 15 ft. at all stages of tides.

Orissa may be encouraged to open out at least two good minor ports with port facilities for the use of sailing vessels as described above. Similarly ports may be opened and equipped in the Province of West Bengal as well.



# THE ENVIRONMENTAL HYGIENE COMMITTEE, 1948—REPORT

Delhi, Ministry of Health, 1950. 208p.

**Chairman :** Dr. B. C. Das Gupta.

**Members :** Shri P. C. Bose; Shri R. S. Mehta;  
Shri N. V. Modak; Shri A. V. Raman  
(resigned); Shri K. Subrahmanyan.

**Secretary :** Shri G. C. Mitroo.

## APPOINTMENT

The Environmental Hygiene Committee was constituted under the Ministry of Health vide their letter No. F. 3-22/48—PR, dated June 16, 1948.

## TERMS OF REFERENCE

- (i) Investigation of the whole field of Environmental Hygiene with special reference to:
  - (a) town and village planning;
  - (b) housing, urban and rural;
  - (c) water supply;
  - (d) general sanitation, including conservancy and drainage;
  - (e) prevention of river and beach pollution;
  - (f) control of insect vectors of diseases; and
  - (g) regulation of certain trades, industries and occupations dangerous to health and offensive to the community.
- (ii) The framing of a programme of development for the consideration of the Government based on an examination of the recommendations of the Health Survey and Development Committee regarding Environmental Hygiene and of the Five-Year Plans of Provinces.

In framing the programme, the Committee should take into consideration the following factors:

- (a) the programme will require to be placed on a basis of adequate and comprehensive planning while at the same time taking into account the financial capacity of the Governments to implement the programme. The Committee should, therefore, suggest, wherever possible, ways and means by which the funds necessary for implementing their proposals can be found;
- (b) the need for promoting the training of an adequate number of technical personnel of various categories required for a modern programme of environmental improvement and for promoting the production of the necessary equipment. The Committee should make specific recommendations in this regard;

- (c) in view of the varying resources of the Provinces, the measures required to assist the less favoured Provinces so that the programme can be implemented on as uniform a basis as possible.

- (iii) To investigate the advantages of composting in preference to other methods of disposal of urban refuse and make suitable recommendations.

## CONTENTS

Introduction; The Problems Before Us; Housing (New Housing Required; Building Materials; Methods and Costs; Standards of Healthful Housing; Positive Plans for New Housing; Housing of Government and Municipal Employees; Housing of Industrial Labour; Housing Co-operative Societies; Sub-standard Houses); Town and Village Planning (Urban Planning; Planning in Villages; Regional Planning; Improvement Trusts; Legislation and Administration); Water Supply (Survey of Existing Position; Plans Drawn up by Other Committees; A Positive Plan; Standard; Materials Required; Personnel and Organization; Finance); Measures for the Hygienic Collection and Disposal of Community Wastes (Sewerage; Sullage Drains and Open Drains; Sewage Disposal; Public Cleaning; Disposal of Refuse; Collection and Disposal of Excreta in Unsewered Areas; Materials; Personnel and Organization); Food, Drink and Milk (Processing Establishments; Milk and Other Farms; Storage Establishments; Retailing Establishments; Food Sanitation in Pilgrim Centres and Alms Houses); Light and Air (Building Bye-laws about Windows; Smoke and Dust Control; Ventilation); Congregations (Camps, Fairs and Festivals; Schools; Places of Public Resort; Public Transport); Pollution of Streams, Lakes and Beaches; Industrial Environment; Hygiene of the Rural Environment (Water Supply; Excreta Disposal; Housing; Approaches; Planning; Food (Sanitation; Organization); Control of the Environment of Insect and Animal Vectors of Disease (Mosquito Control; Rat Control; Fly Control; Control of Sandflies, Fleas, Ticks, Bugs, Lice, etc.); Design and Construction of Medical and Health Centres; Some Aspects of Environmental Hygiene not Covered in Previous Chapters (Prisons; Disposal of the Dead; Barber Shops and Saloons; Dhobi Ghats; Disinfection Stations; Plumbing); Constructional Materials (Bricks; Coal; Lime; Cement; Iron and Steel;

Doors and Windows; Timber; Tiles and other Roofing Materials; Cast-iron Pipes; Galvanized-iron and Wrought-iron Pipes; Ceramics; Chlorine; Alum; D.D.T.; Other Chemicals; Planning for Production; Transport); Organization and Administration); Training of Personnel (Public Health Engineers; Public Health Engineering Subordinates; Town Planners; Plant Operators; Medical Health Officers; Sanitary Inspectors; Specialists in Public Health Chemistry, Biology, etc.; Industrial Hygienists); Finance (Training; Organization; Materials; Water Supply; Measures for Hygienic Collection and Disposal of Community Wastes; Housing and Town Planning; Congregations; Pollution of Streams, Lakes and Beaches; Industrial Environment; Rural Environment; Control of Insect and Animal Vectors of Disease); Summary; Appendix I to VII.

## RECOMMENDATIONS

### Housing

It is estimated that 2.84 million dwelling units should be built in five years to meet the housing shortage in urban areas; of these one million will be for displaced persons and 1.84 million for meeting the requirements of normal increase in population. For this purpose, at least a quarter of the steel and cement production, coal, transport, etc., should be allocated for house building in the country and, at the same time, steps should be taken to increase the production of steel, cement, lime, bricks, etc.

It may be natural to think of temporary structures to afford quick relief, but we consider that it is false economy for Governments and public authorities to go in for mud walls, bamboo matting and thatched roofs for houses, even though their initial cost may be one-fourth or one-fifth of the cost of the conventional houses. The cheap house is suitable only under the fond care and maintenance of the rural owner. It is unjustifiable when built out of public funds.

The best way to meet housing shortage is to develop "satellite towns" and "neighbourhood units" to promote self-sufficiency and mixing up of social groups for housing populations of 10,000 to 20,000 instead of adding on the fringe of an existing town.

Provision of water supply and latrines is indispensable in the practical maintenance of standards of decent living; anyone who lets a house to a family for occupation without these facilities should be punished by law.

A house should be built at least as a two-roomed structure apart from the kitchen, the bath, etc., according to specified standards, even if exigencies require that it should be occupied by two families till the shortage is relieved. If a single-room house is abso-

lutely unavoidable, it should have a floor space in the living room of at least 200 sq. ft. and there should be a separate kitchen of at least 50 sq. ft.

Research should be undertaken in institutions of technology and engineering to evolve new designs, materials and methods of construction with a view to promoting better fulfilment of the basic principles of healthful housing at lower costs.

Positive plans for new housing particularly as a "Public Utility" through the agency of Public Housing Corporations are detailed in paras 36-37 of Chapter III. If this is done, the problem of housing the lower-income groups will be largely solved without straining the finances of the State.

In big cities like Calcutta, Bombay, Delhi and Madras, the Government should provide quarters for at least 60% of their employees. The Government should also provide accommodation for their employees in small towns of less than 10,000, where it is extremely difficult to find suitable rented accommodation.

The Government should provide accommodation for all employees in essential services.

In fixing minimum rates of wages for industrial workers under the Minimum Wages Act, 1948, either a house or an allowance equivalent to the economic rent for the minimum standard house should be given.

The Government should adopt a firm attitude with respect to industrial housing and divert the Excess Profits Tax towards solving this problem.

The Central Government should enact a law of compensation to enable Provinces and Improvement Trusts to proceed with slum clearance schemes without being overwhelmed by claims for compensation.

New accommodation for slum dwellers must be found before a slum is cleared. In the present state of housing shortage, all slum clearance schemes should be suspended for five years—till an adequate number of new houses are built.

Often a place becomes a slum on account of sub-standard arrangements for water supply, drainages, latrines and refuse collection service. For the next five years, instead of going through dilatory procedures for finding the owner of a slum and compelling him to provide these amenities, the Municipality should be enabled to effect these improvements at its expense, one half of the cost being met from Municipal Funds and the other half from a Special Government Grant which may be made for this purpose.

Municipalities should be vested with summary powers to carry out such improvements and recover the cost from the owner as the first charge on the property.

A civic survey should be conducted in respect of

sub-standard houses in each urban area spread over two years.

In villages, the main defects in houses are the absence of latrines and water supply. The latrine should be provided by the house-owner and the water supply by the Government.

#### Town And Village Planning

Town and village planning should always precede housing.

When the improvement needed is of considerable magnitude, a small executive body like an Improvement Trust is better suited to carry it out.

Those provinces which have no Town Planning Acts should enact them immediately. Existing Acts in some Provinces are inadequate. They should be amended.

The Provincial Town Planner should be on the staff of the Ministry of Health as an Adviser. In the practical execution of large housing projects, an engineer with knowledge of public health engineering, including town planning, will be more suitable than a pure town planner to direct and execute the work.

Provincial Housing Boards may be established as statutory bodies—with the Chief Public Health Engineer as Chairman, a Financial Adviser, and two or three members chosen for their administrative ability and integrity and appointed for a term of years. These Boards may be authorized to float loans at  $\frac{1}{2}\%$  above the Government borrowing rates and use them for land acquisition. They may be authorized also to license Public Housing Corporations or to engage in housing activities themselves.

#### Water Supply

Only 16% of the total number of towns in India have protected water supplies, which serve 6.15% of the total population or 48.5% of the urban population. In the rural areas and smaller urban areas the water supply continues to be as unsatisfactory as it was when the Health Survey and Development Committee reported. There is very little protection in the water supply, as it is drawn from sources open to contamination of all sorts.

Recommendations for a modest five-year plan in respect of water supply, taking into consideration the urgency of other post-war plans and the scarcity of money and materials, are:

(a) To install new water supplies and improve existing water supplies in all towns of over 50,000 to check the rapid deterioration of urban water supplies and the programme already set out for new housing;

(b) To install protected water supplies in all permanent projects for the accommodation of displaced persons;

(c) To provide protected water supplies in all permanent pilgrim centres in India;

(d) To provide protected water supplies to at least 75% of the people in districts where cholera death rate has been 100 or over per 100,000 per annum during the last 10 years;

(e) To provide protected water supplies in areas of greater water scarcity;

(f) To develop and maintain water supplies in areas covered by Health Centres where intensive personal and impersonal health services are being developed.

In addition, we should:

(1) Establish plant control laboratories.

(2) Organize the training of plant operators.

(3) Organize public health engineering services on a strong and sound basis in the Health Ministries and to entrust them with the responsibility for design, construction and maintenance of public health engineering works (Impersonal Health Services).

(4) Plan for gradual extension of protected water supplies to 90% of the population in 40 years.

The greatest handicap to the construction of waterworks today is the lack of materials. Our short-term plans envisage an expenditure of about Rs. 26 crores a year for five years on water supplies. At least Rs. 14 to 18 crores a year will be spent on cast-iron pipes. We cannot and should not import cast-iron pipes from abroad owing to the urgent need for conserving foreign exchange. The Government should therefore take immediate steps to put up cast-iron pipe factories with a capacity of 12,000 to 15,000 tons per month.

The larger waterworks will require steel pipes. Even smaller waterworks may use steel pipes on account of economy and ease of transport.

About 40,000 tons of steel pipes per annum can be consumed for water supplies. Production of steel sheets and manufacture of steel pipes should be promoted by the Government on this basis.

Galvanized-iron and wrought-iron tubes are essential for rural water supplies from wells and tube-wells, and equally so for house connections in urban supplies. They are not manufactured in India. A tube mill with about 15,000 to 20,000 tons capacity per annum should be set up by the Government within two years.

The Government should also facilitate the import of larger sizes of pumps and motors for water supplies.

Present consumption of chlorine for water purification is probably about 300 tons per annum. When our Five-Year Plan is implemented, this consumption will be about 800 tons per annum. Chlorine is an important chemical, used for general public health work, for bleaching in textiles and paper manufacture

and for the manufacture of D.D.T. Production of chlorine should therefore be stepped up immediately.

Alum is also used in water purification. Its annual production is about 6,000 to 7,000 tons in India. The demand for this chemical will probably be about 12,000 to 15,000 tons per annum, when our short-term plan for water supplies is implemented. Increased production of alum should be organized by the Government.

Many other chemicals may be required for water supplies. Specifications should be standardized as far as possible for their supply.

The capital cost of water supplies in rural areas should be met entirely by Provincial Governments. The cost and organization for the maintenance of these supplies should also be provided by them through their public health engineering department. If the Local Board engineer is made answerable to the Chief Public Health Engineer, he may be charged with the duty of maintaining rural water supplies.

The capital cost of Municipal water supplies should, in principle, be borne, at least partly, by the Municipality itself. Its share may be fixed at 50%. The cost of maintenance should be borne entirely by Municipalities. Their share of the capital cost may be advanced as a loan by the Government and recovered over a long term of years.

The Chief Public Health Engineer of every Province should have funds placed at his disposal every year for experimentation and research to be conducted in his laboratories or in collaboration with other workers on any water supply problem.

#### Collection And Disposal Of Community Wastes

The introduction of protected water supplies alone will not be sufficient for achieving healthful living. It is also essential to adopt measures for the hygienic collection and disposal of community wastes.

As a short-term plan, to be achieved in five to 10 years, the following modest programme for sewerage is suggested in the order of priority given below:

(1) Urgent improvements to existing installations and prevailing methods of disposal in sewerage cities to cope with overload and wear and tear.

(2) Extension of sewerage to new housing developments and extension of city limits in cities where there is already a sewerage system.

(3) Laying of sewers in all permanent pilgrim centres.

(4) Laying of sewers, following the introduction of satisfactory protected water supply, in all unsewered cities either with a population of over 100,000 or with a high density of population.

(5) Laying of sewers in predominantly industrial areas.

(6) More complete utilization of sewers in sewerage areas.

The total outlay required for this programme may be about Rs. 15 crores which can be shared equally between the Municipalities and Provincial Governments except in the case of permanent pilgrim centres.

The Provincial Governments should, on their own initiative, prepare the sewerage schemes and have them carried out. The share of expenditure chargeable to the Municipality may perhaps be financed out of the proceeds of the entertainment tax collected by the Municipality.

The cost of laying sewers in all permanent pilgrim centres should be shared equally between the Central Government and the Provincial Government concerned. The share of the Provincial Government may be met out of the funds of religious endowment boards or other interests that may benefit by improved sanitation.

With regard to the more complete utilization of sewers in existing sewerage towns, Provincial Governments should press Municipalities to accelerate progress. If a householder does not connect his premises within a year from the date of service of notice, the Municipality should carry out the work by a system of subvention through its own agency without waiting further and recover the cost along with rates from him. Provincial Governments should advance loans every year to Municipalities for this specific purpose and ensure that at least 90% of the premises are connected within the next 10 years.

We are against the indiscriminate construction of sullage drains. They ought not to be built without ensuring that the houses served by them have sanitary latrines; otherwise these drains are likely to be used as latrines and urinals.

Nothing which is likely to come in contact with sewage and likely to be consumed raw should be grown on a sewage farm.

Sewage farms should be managed under the direction of a competent agricultural expert.

Refuse should be collected and disposed of in a manner free from hazard to public health. The hazards arise from fly and rat breeding. "Wealth from waste" is not to be produced at the expense of health.

The Government should insist that even the smallest local authority or board should carry out refuse collection and disposal satisfactorily.

Every Municipality with a population of over 100,000 should have a well-equipped workshop in which Municipal transport vehicles can be repaired and machinery belonging to waterworks and sewage works can also be repaired. Such workshops should be run on a commercial basis. They should undertake repairs of transport vehicles of smaller Municipalities, Panchayat Boards, etc., if required.

Composting is no doubt a good method of integrated disposal of refuse and human excreta. If carried out under proper supervision, it will help in food production.

We are of the opinion that the value and potentialities of composting of human excreta have been overrated, while the accompanying dangers to public health have been overlooked.

Composting is not advocated for Municipalities with a population of over 100,000. Underground sewers to transport human excreta are safer in every respect than manual removal of night soil from latrines and should be installed in such cities. If large Municipalities are allowed to compost night soil, they will develop a complacency about insanitation and put off sewerage for ever. When cities with a population of over 100,000 are sewered, the nitrogen in the waste can be conserved for agricultural use by sewage farming wherever possible.

In sewered towns, water closets only should be permitted.

As regards smaller Municipalities, we would recommend composting of night soil on a site at least half a mile away from the Municipal limits on the leeward side under good supervision.

Any proposals to encourage composting in private compounds in Municipal areas will be positively dangerous and should be firmly resisted.

In villages and other places where there is no organized refuse or night soil collection, composting cannot be carried out efficiently. Only cattle dung will be available. That can be dumped into a manure pit in each compound and covered with straw and ash. Eventually, it can be used as manure every year or half-year.

We strongly recommend the construction of such manure pits for cattle dung, straw and leaves, but not the composting of human excreta in rural areas.

We have come across a suggestion that villagers should put up public latrines, defecate in them and cover the excreta with refuse before leaving. These are said to be designed to produce compost for village use. Knowing the frailties of ordinary human beings and the difficulty of collecting and bringing refuse to a public latrine in a village, we have to state in all humility that the scheme is utterly impracticable.

In unsewered towns, service latrines are not very satisfactory. We recommend the construction of latrines which require no service and in which the excreta can be disposed of at the site of the latrine in a hygienic manner. The best type is a latrine in which solid and liquid excreta can be washed into a domestic septic tank.

The septic tanks should be provided with means of desludging and should be desludged regularly.

Even if there is not sufficient land for the absorption of effluent from the domestic septic tank, the discharge of effluent into Municipal sullage drains should be permitted if it is already there. The effluent from the tank is not likely to be worse than the raw urine and faeces which the drain actually carries.

For villages where 85% of the population lives but hardly 5% of the houses have any latrines, septic tank latrines, well latrines, "Hazari" (Mysore type) latrines, borehole latrines and pit privies are suitable. They require no sweeper service and are reasonably safe and clean within the limitation of low cost and the imperfections of a rural environment. We require millions of them. They cannot, however, be built and presented to each house by Health Departments of Provincial Governments. Only technical service can be given and inducements offered. A few model latrines of each type should be built in each village for educative purposes.

The villagers can be induced to put up latrines in their houses if there is good leadership, backed by an organization for technical service. Rural Panchayats, social service organizations, schools, health centres, etc., are all means of reaching the villager. Rural Panchayats specially have potentialities for improving the rural hygiene and getting latrines built in rural areas if their activities are regulated and oriented properly.

In rural areas, the aim should be to promote latrines in each house and not public latrines. Expenditure on public latrines should be limited to the barest requirements in rural sanitation programmes. The education of the individual is far more important than the mere provision of a physiological need.

Public latrines should be built at railway stations, bus stands, parks, places of public entertainment, markets, schools and colleges, hostels, dharamsalas, public offices and places of public worship. The number of seats should be on a standardized scale.

The provision and maintenance of water supplies in villages and the introduction of D.D.T. spraying for mosquito control are two services which people readily appreciate and should be used as levers for pushing on latrine construction in villages.

Building of a new house in old or new villages should not be allowed unless a latrine is also built. This power should be vested in the Rural Panchayat Board. The Government should also make available to the people designs, materials and equipment for putting up latrines. Standard concrete squatting plates can be made and supplied to villagers at cost price. Equipment for putting down borehole latrines should be maintained at every Health Centre and every Sanitary Inspector's office in the rural areas.

As in the case of housing and water supplies, the shortage of materials is a deterrent factor in the implementation of plans for the hygienic collection and disposal of community wastes. It should be overcome by increase of production and better allocation of existing production.

There are only three or four large sources and some small sources of supply of stoneware pipes in India and their total production does not exceed 1,200 tons per month. If our modest plans for sewerage all cities of over 100,000 are to be implemented, at least three more potteries should be built and the total production of stoneware pipes and drainage fittings stepped up to at least 3,000 tons a month. The production of sanitary fittings, galvanized pipes, etc., should also be ensured.

It will be worth while for the engineers in charge of large sewage undertakings to arrange for the manufacture of cement pipes in their own factories.

Sewage plants need trained personnel for operation. Besides mechanical engineers and electrical engineers for pumping stations, there should be agriculturists for sewage farming and chemists for analysis. Above all, there should be a public health engineer to co-ordinate the work of the people in charge. In the large self-governing Corporations, the Drainage Department should have a public health engineer at the helm. In smaller Municipalities, the Municipal engineers should be provincialized and placed under the Chief Public Health Engineer. As in the case of water supplies, the Chief Public Health Engineer of a Province should be authorized to certify a work as essential and have it carried out at the expense of the Municipality when he finds that the Municipality is not co-operative.

Refuse collection and disposal can be entrusted to the Municipal engineer. The maintenance of transport vehicles and the organization of labour are the preponderant features of the work and an engineer can do it better than the Health Officer, provided he has had sufficient training to keep the public health objectives in the forefront.

The collection and disposal of excreta and the cleansing of drains are actually carried out by bhangis or sweepers. They are doing a great humanitarian service and should be given good housing, water supply, latrines and other amenities. Their physical environment should be improved by the Municipalities immediately. This should receive a high priority among our short-term plans.

Substitution of the human agency by mechanical methods in the collection, removal and disposal of community wastes should be encouraged as far as practicable.

## Food, Drink And Milk

The danger of transmission of disease through food, drink and milk is great, especially in urban areas where people have to resort to public food and drink establishments. Food, drink and milk should be produced, stored, transported and served under environmental conditions which are free from the dangers of contamination.

Some of the food processing establishments may be outside the limits of a Municipality and may escape control by the Municipal health authority. The law should be amended so as to ensure better co-ordination between different health authorities in urban and rural areas, so that the wholesale producer can be controlled and not merely the retailer.

Private slaughter-houses should not be allowed in any Municipal town. Municipal slaughter-houses should be built in all towns to type plans approved by the Chief Public Health Engineer of the Province.

The workers in food processing establishments, such as flour mills, bakeries, confectioneries, ice canneries, sweetmeat shops, biscuit factories, ice-cream plants, aerated water and ice factories, papad, vegetable ghee, vanaspati, papadam manufactories and manufacture of scented arcauants and large public kitchens, should be certified medically fit. The control of large food processing establishments should be tightened up by suitable provisions in a Provincial Public Health Act designed to secure closer co-ordination of the Municipal and Provincial Health Departments. An inspector should be established in the Province for regular inspection and quality control in these establishments. Breaches of regulations by these establishments should be liable to deterrent punishment.

The standards for dairies and cattle sheds are detailed in Para. 14 of Chapter VII. Municipalities will not be able to enforce these standards merely by prosecution. They will have to build model dairies and then compel the owners of cattle to keep their cattle there on payment of rent. Provincial Governments may also launch schemes like the one that the Bombay Government is carrying out at Aare outside Bombay City. Co-operative milk farms may also be permitted outside the Municipal limits.

Buildings used for storage of food and foodgrains should be free from dampness and should be rendered rat free. The ventilation, temperature and other conditions of the storage establishment should be such as not to encourage spoilage of the articles stored or to endanger the health of the workers there. No wholesale godowns, warehouses and cold storages in the Province should be opened without consulting the Public Health Engineer and the Health Officer concerned.

Sale of exposed food, cut-fruit, etc., on pavements

and in other places should be stopped. To achieve this, public opinion and police action are necessary. Model markets should be built in every urban area. Wholesale markets should have adequate facilities for storage of perishables. In restaurants, eating houses, etc., provision of adequate supply of safe water, provision of a boiler for hot water for sterilization of utensils, provision of a garbage bin with a lid and provision of washing facilities for customers and staff are essential. The penalty for failing to provide these should be deterrent. Regular spraying of a suitable insecticide should be made a condition for granting a licence for food retailing establishments to operate.

The ordinary standard of sanitation relating to restaurants and eating places cannot be applied to these situations. However, it is necessary at pilgrim and poor feeding centres that kitchens should be well lighted and ventilated; that food should be kept covered and not exposed till it is served; that water and food should be served by ladles and spoons untouched by hand; that washing facilities should be provided for those who eat; and that the leaves and garbage should be cleaned up and disposed of by burial or by feeding them to cows, etc.

#### Light And Air

Good lighting and good ventilation are conducive to better endeavour, better co-operation and greater and better output in homes, schools, offices, factories, etc.

Windows are used for natural lighting and natural ventilation.

Smoke fumes and dust are irritating. They obscure light and pollute the atmosphere.

Atmospheric pollution can be effectively controlled by zoning and gradual shifting of factories from residential zones to industrial zones by legal compulsion and by offering suitable inducements and facilities to factories to shift. In addition, pollution of the atmosphere can be controlled also by offering feasible technical advice to the factories.

All cinemas and theatres in electrified towns and villages should have artificial ventilation, by means of which the air in the occupied building will be circulated as well as changed.

Operation theatres should be air-conditioned in Provincial and District Headquarters hospitals, where the effective temperature is likely to exceed 95°F.

Third-class carriages in railways should be fitted with fans.

#### Congregations

Opportunities for transmission of diseases arise and increase wherever people congregate indiscriminately. It is, therefore, necessary to exclude the dangerous

people, to immunize the healthy people and to modify the environment so as to reduce its potentiality for transmitting disease. The exclusion of dangerous people and the immunization of the healthy are duties for which the Medical Officer of Health is better qualified. The modification of the environment is a duty for which the Public Health Engineer is better qualified.

In India, more attention is paid to the control of disease in congregations than to other aspects of public health work. It is accorded the highest priority among the various activities of a Health Department, and we recommend that it should continue to be accorded that priority.

The housing of people in places pilgrimage is generally unsatisfactory. As every room in a pilgrim centre is likely to be occupied by a family, the minimum size of rooms in such places and in all dharamsalas should be 200 sq.ft. The rooms should be at least 10 ft. high and have at least 10% of the floor area in the windows.

Places which are prominently pilgrim centres, sanatoria or spas should be run as Government townships. Central legislation should be passed to enable a Provincial Government to take over the sanitation, health and other Municipal functions of such places in the Province.

Schools are places where children from all classes of society congregate and can communicate diseases to one another. The hygiene of the environment in the schools should be of a high standard from the point of view of prevention of disease and, even more so, from that of practical health education.

Cinema houses and theatres are popular places of public resort. Their standard in cities is fairly satisfactory, though in mofussil towns they are not so clean.

The three important means of public transport, which we have considered, are railways, tramways and buses. Overcrowding has become insufferable in all three and the chances of spreading disease by contact have also increased. It is, therefore, recommended that periodical disinfection of public transport vehicles should be carried out with D.D.T. or other insecticides.

#### Pollution Of Streams, Lakes And Beaches

Rivers, lakes and beaches, which have been revered and sanctified by religious traditions in India, are polluted by the discharge of wastes and excreta by individuals, Municipalities and factories without sufficient consideration for the health of other users of the same water or for conservation of aquatic life or for beauty. The Central and Provincial Water and Drainage Boards recommended by the Health Survey and Development Committee will be useful for the control of river and beach pollution. If these Boards

are not established, due emphasis should be given to the supply of drinking water and to the prevention of the pollution of rivers in the activities of the Central Water, Power, Irrigation and Navigation Commission.

Sewage treatment and industrial waste treatment should be carried out to the extent necessary to adjust the polluttional load to the capacity of the receiving body of water for self-purification. Though we are not yet ripe for laying down standards by legislative enactments, we can control pollution by investigation in each case.

The polluttional status of our rivers should be studied, reaseration constants should be computed and standards should be evolved. Research is necessary. The Water and Drainage Boards, if established, can promote this type of research. Otherwise, the All-India Institute of Hygiene and Public Health, Calcutta, may be encouraged to develop research in a few river basins.

Provincial Public Health Acts should contain a provision to the effect that the discharge of sewage or industrial waste into a body of water will be allowed only after the party responsible for the discharge undertakes to carry out the recommendations of the Ministry of Health with regard to the mode of treatment and standard of effluent.

The Ministry of Labour should instruct all Factory Inspectors to refer all questions of treatment and disposal of industrial wastes to the Ministry of Health and get its recommendations implemented.

The disposal of sewage on land by farming during dry months after some preliminary treatment may be a suitable means of reducing river pollution. The discharge of the sewage in wet months into a flooded river may be unobjectionable with sufficiently large dilution.

Pollution of rivers, lakes and beaches by individuals can be controlled to some extent by constructing and maintaining sanitary latrines and urinals at bathing beaches and ghats. The effluent and excreta from these latrines and urinals should be either connected to public sewers or absorbed in the soil.

If problems of river pollution arising between different Provinces or States cannot be solved by negotiation between representatives of their Ministries of Health, the Central Ministry of Health should settle the matter as arbitrator.

### Industrial Environment

Industries have been growing in India rapidly. They have been associated with the growth of slums and vice in certain places. The subject is vast and we have confined ourselves to some broad observations. In considering the hygiene of the industrial environment, there is a tendency among many to think only of the worker's environment in the factory and

ignore his home environment. This, in our opinion, is incorrect and injurious. Bad housing conditions blight the character and efficiency of the worker and his family and also blight the character and tone of the neighbourhood where the worker lives. Broader perspective and better co-ordination should be brought to bear on the solution of industrial hygiene problems.

The number of factory inspectors should be increased so that factories may be inspected more often, preferably twice a year. Small factories require more frequent inspections than larger ones.

The buildings should be passed as fit for the industry by a competent person before a licence is issued or renewed annually.

Factual data should be collected concerning actual environmental conditions in various industries. Such work is going on now under the auspices of the Indian Research Fund Association; it should be continued and its scope extended.

Training in industrial hygiene should be given to three classes of professional men—doctors, engineers and chemists—with a slight difference in emphasis, so that each can collaborate with the other two in fulfilling his role.

Among other amenities to be provided for the comfort of a worker in a factory, the following should receive special attention:

- (a) supply of drinking water,
- (b) provision of latrines and urinals,
- (c) washing facilities,
- (d) canteens, and
- (e) creches.

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The drinking water should be disinfected, cooled and supplied untouched by hand. It is not expensive to put up an ice-box with a cooling coil and supply the water through the coil and a fountain, if there is a piped water supply.

The scale of latrine accommodation prescribed in Provincial rules under the Factories Act should be revised to conform to that recommended by us for public latrines.

In public latrines in labourers' colonies, the number of latrines should be provided on the basis of users and not of workers only.

Washing facilities provided for labourers in factories are not inadequate but their maintenance is far from clean. This should be improved.

### Hygiene Of The Rural Environment

About 85% of the people in India live in villages. Villages are the backbone of our national economy and it is recognized that the rural reconstruction is essential. It has many facets but we have confined ourselves to the reconstruction of the environment from the health point of view.



Water supply in villages is most unsatisfactory. It is the most urgent need. Next in importance to malaria, diarrhoea and dysentery are the causes of sickness. Whatever may be the financial stringency, Provinces should carry out a sustained programme of planned rural water supplies spread over a number of years. The work should be carried out by the Public Health Engineering Department or at least under its direction and funds should not be spent without its control. On an average the capital expenditure may be about Rs. 3 per head of population served and the annual maintenance expenditure can be limited to one to two annas per head per annum.

The means of disposal of excreta in villages is very unsatisfactory. There are few latrines and naturally the soil is polluted.

The houses in villages are generally owned and not rented. These are not generally overcrowded but there are not sufficient windows for lighting and effective cross-ventilation. There is no scope for radical alteration as the villagers are poor. Some improvement can, however, be effected. For example, villagers may be persuaded to construct their cattle sheds away from the house and to dig a manure pit in a corner of the backyard. In addition, the "premises-sanitation" of the house should include spray of D.D.T. at least once in two to six months to control the transmission of mosquito and fly-borne diseases.

Village communications are bad, especially in deltaic areas. This is a great handicap to rural reconstruction and health work. Improvement of village communications is essential.

The wholesale replanning of an existing village is not practicable.

#### Control Of Insects And Other Causes Of Disease

Malaria ranks highest among the causes of death and sickness in India. Means directed against the mosquito-transmission of malaria are, in the existing state of knowledge, the only methods which give permanent control. Mosquito control is also required in the case of dengue and filaria.

Public Health Engineers should be given training in malaria engineering.

Provincial Governments should extend rural malaria control by indoor residual spraying of D.D.T. in all districts where malaria is endemic.

In malarial areas D.D.T. should be sprayed in every house periodically like white-washing.

Factories for the manufacture of at least 3,000 tons of D.D.T. per annum should be set up in India by the Government or with Government aid and control.

Permanent measures of rat control are necessary for conservation of foodgrains and for the control of plague in the areas where it is endemic.

Fly is the agent for mechanical transmission of many diseases. D.D.T. spray will control sandflies, fleas, ticks, bugs, lice, etc.

#### Design And Construction Of Medical And Health Centres

Demand for hospital accommodation is increasing.

The design of medical buildings is therefore a matter of great importance in national planning.

#### Other Aspects Of Environmental Hygiene

These are sanitation in prisons, proper disposal of the dead, hygiene of the barber shops and saloons, dhobi ghats, disinfection stations and plumbing.

#### Constructional Materials

Acute shortage of materials is now the most serious handicap in the implementation of any scheme. The production in the country is insufficient for our requirements even if conditions had remained as they were before the War. We cannot look for relief to imports from other countries due to limited foreign exchange resources.

The first step that the Government should take for the implementation of our plans is to review the production of constructional materials against our requirements and to adjust industrial policy with a view to increasing production of essential materials for attaining a measure of national self-sufficiency. Existing production should be controlled and allocated more equitably with due recognition of the extreme urgency of some of our plans for housing, water supply, malarial control, etc. At the same time, new factories should be set up to attain the targets of production by private enterprise with or without State aid and by State enterprise within three years. The available foreign exchange resources should be conserved for importing the capital equipment required for setting up these factories and for importing those articles which cannot be produced in India.

#### Organization And Administration

It is essential that both at the Centre and in the Provinces there should be a strong technical organization which will be constantly at work to make use of every opportunity to improve environmental hygiene and whose special responsibility will be to ensure that recommendations made in this behalf are carried out. Such an organization is not found now in the Central Government and in many of the Provinces.

Plans for environmental hygiene can be implemented only by engineering methods directed towards the public health objective. They are the special field of the Public Health Engineer, who is the right person to take charge of environmental hygiene. The maintenance of health depends on personal health services,

which the Medical Health Officer alone is competent to give, and on impersonal health services (or environmental hygiene) which the Public Health Engineer alone is competent to render. Both are essential and both should be organized and co-ordinated in every Province and at the Centre. This co-ordination should be arranged by the heads of the two services as equals.

The Public Health Engineering Department should be attached to the Ministry of Health.

At the Centre, there should be a Consulting Public Health Engineer attached to the Ministry of Health as an Adviser.

In the Provinces, there should be a Chief Public Health Engineer in the Ministry of Health, with headquarters staff for design, investigation, research, etc., and with executive field staff for construction and inspections.

The services of Municipal Engineers and Operators of Water Sewage Works should be provincialized.

A comprehensive Public Health Act should be passed in every Province.

Necessary legislation should also be enacted to ensure that local bodies perform elementary functions of environmental hygiene to standards prescribed by the Ministry of Health.

A revenue of Rs. 13 per capita per annum will be necessary to maintain efficient Municipal services. The actual revenues of many Municipalities are only Rs. 3 to Rs. 5 per capita. The Local Finance Enquiry Committee, set up by the Central Ministry of Health, is investigating ways and means of improving these revenues. The recommendations of that Committee should receive due consideration. Unless the finances of Local Bodies are increased, they cannot improve environmental hygiene.

#### Training Of Personnel

The Public Health Engineering Service that has been proposed in Chapter XVII can be an effective instrument for rendering service and can produce results if qualified personnel is appointed at least to the senior posts. Hence, the organization of training is of the utmost importance. However, the utilization of trained personnel should not lag behind training. If it does, there will be wastage of talent, frustration and discredit to the courses of training.

The training of personnel for responsible positions in Public Health Engineering should be both academic and practical. What is ingested in the lecture room is digested and assimilated only in the field. The value

of experience should not be underrated. If it is combined with academic methods of approach to problems, it is possible to develop leadership in the profession. At least in the earlier stages more opportunities should be given to people with mature experience to undergo training than to immature persons who have not made up their minds about their future career. A definite percentage of foreign scholarships, etc., should be earmarked for Public Health Engineering.

The Central Government should assume responsibility for training personnel required for improving environmental hygiene. Different categories of personnel required for improving environmental hygiene are :

- (a) Public Health Engineers.
- (b) Public Health Engineering Subordinates.
- (c) Town Planners.
- (d) Plant Operators.
- (e) Medical Health Officers.
- (f) Sanitary Inspectors.
- (g) Specialists in Public Health Chemistry, Biology, etc.
- (h) Industrial Hygienists.

The training of high-grade personnel should be the responsibility of the Central Government for at least 10 years to ensure uniformity of standards.

Public Health Engineers should be basically engineers and not civil engineers only.

The course of training organized at the All-India Institute of Hygiene and Public Health, Calcutta, for the degree of Master of Engineering (Public Health) and the syllabus prescribed therefor are suitable for training men for senior posts.

When the demand for Public Health Engineers increases as a result of the implementation of our recommendations, other centres for training Public Health Engineers should be opened in addition to the one at the All-India Institute of Hygiene and Public Health. If there are three or four engineering colleges in a Province, all of them need not have such a specialized course. We would warn against mass production under poor training facilities.

The specialized training for Public Health Engineering should be given as a post-graduate course and not an under-graduate course.

#### Finance

The beginnings will not cost much and, during the time required for organizing personnel and materials, the financial position may improve.

# LINGUISTIC PROVINCES COMMISSION, 1948—REPORT

## New Delhi, Constituent Assembly of India, 1948. 56p.

Chairman : Shri S. K. Dar.

Members : Shri Panna Lal; Shri Jangatnarin Lal.

Secretary : Shri B. C. Banerji.

### APPOINTMENT

The Linguistic Provinces Commission was constituted under the Constituent Assembly of India vide their notification dated June 17, 1948, to report on the question of formation of the Provinces of Andhra, Kerala, Karnataka and Maharashtra; the financial, economic, administrative and other consequences thereof; and their approximate boundaries.

### TERMS OF REFERENCE

(i) What new provinces, if any, from among those specified above should be created and what broadly should be their boundaries, it being understood that the precise demarcation of the boundaries would be considered later by a Boundary Commission?

(ii) What would be the administrative, economic, financial and other consequences in each Province to be so created?

(iii) What would be the administrative, economic, financial and other consequences in the adjoining territories of India?

### CONTENTS

Letter to the Hon'ble President, Constituent Assembly of India, New Delhi; Introduction; The Linguistic Provinces; The Linguistic Areas and their Boundaries; Financial Position of the Proposed Provinces; Financial, Economic, Administrative and other Consequences; Summary and Conclusions; Appendix I to V; Statement I to III.

### RECOMMENDATIONS

The existing Provinces of Madras, Bombay and the Central Provinces and Berar hold together within their respective territories large linguistic groups which are unequally matched for the struggle for existence or for the struggle for political power. In the struggle for political power, which the British imperialism and subsequently democracy under British rule introduced in this country, these heterogeneous elements were not completely successful in producing harmonious Governments, with the result that a demand grew up in course of time on the part of the groups, which felt that they had suffered in the struggle for a separate Government of their own.

When a conflict of interest, real or imaginary, arises

between linguistic groups differing in numerical strength and in mental and moral equipment, it does not take long for the minority to feel that it has no chance against the majority, and it finds an easy solution of its difficulty in a desire for separation. Whether this demand is due to the aggressiveness of the more successful groups or to some inherent or accidental weakness in the less successful ones or to both it is not easy to determine; nor is it necessary to do so. It is sufficient to note the conditions which bring it into existence and to observe that it originates in a desire for power which, in its lower sense, is a desire for jobs and offices and, in its higher sense, a desire for service to the community and for its material and moral advancement. And it actuates the conduct of both honest and patriotic persons and of self-seekers in the groups in which such a demand has sprung up.

The intensity of the demand and its duration as also its justification vary from province to province, and within linguistic groups of the same province and also within the different sections of the same group. It has a long and persistent history of agitation behind it in Andhra, and exists in its strongest form in the coastal districts thereof. The Rayalaseema districts of Andhra are not affected by the demand to the same extent, and a substantial section is opposed to it. Just as there is a genuine apprehension in the coastal Andhra mind against Tamil domination, so, too, there is an apprehension, though in a somewhat lesser degree, in the Rayalaseema mind against coastal domination. Next to Andhra, the demand is insistent in Karnataka, though there it is moderated by the knowledge that, for the unification of Karnataka, the co-operation of Mysore State is essential and that it may require some time for preparation. In Kerala there is a general recognition that, without the merger of Cochin and Travancore States, a separate province cannot exist; and the demand there is weakest and is rightly conditional upon the formation of any other linguistic province out of Madras, and the people are prepared to wait till a United Kerala comes into existence. Maharashtra is a late-comer in the field of agitation for linguistic provinces, and it is still a divided house comprising three cross-divisions of Konkan, Desh and Mahavidarbha, none of whom has suffered in any way in the struggle for political power.

The main ground put forward for the demand for linguistic provinces is that these are essential for the working of democracy, as also for the working of the

Constitution, and a linguistic province is the best form of a homogeneous province, which the existing circumstances in India permit to be formed. It is said that the working of democracy is impeded in the field of Education, Legislature and Administration by a multiplicity of languages spoken in a province. It is further said that autonomous provinces are embodied in our Federal Constitution and autonomous provinces imply autonomous States. And as the larger linguistic groups now existing in India claim historically to have formed sub-nations, they contend that the appropriate place for these sub-nations is in a linguistic State, just as, for the same reason, the correct principle upon which autonomous provinces should be formed is the linguistic principle.

Linguistic homogeneity in the formation of new provinces is certainly attainable within certain limits but only at the cost of creating a fresh minority problem. More than half the Malayalam and Kannada-speaking people are living in Indian States, and only a little less than half of the Telugu and Marathi-speaking people are living either in Indian States or in Union Provinces from which they cannot be transferred to new linguistic provinces either for want of geographical contiguity or want of their consent to be so transferred. These must remain, at least for many years to come, outside the sphere of a linguistic province. Even in the limited areas of the Union, which can be made homogeneous linguistically, border districts on each side and the capital cities of Bombay and Madras will remain bilingual or multi-lingual. And, as has been explained before, nowhere will it be possible to form a linguistic province of more than 70 to 80% of the people speaking the same language, thus leaving in each province a minority of at least 20% of people speaking other languages. And considering the evidence, which has come before us in regard to the Telugus, who were transferred to Orissa from Madras at the time of the formation of the Orissa Province, and the Tamils, who live in Southern Travancore, it is easy to foresee that similar minority problems on a much more extensive scale will arise all over the linguistic provinces.

As for persons speaking the same language forming a sub-nation, whatever may have been their condition in the past, now for 200 years the sepeople have got separated and scattered over different areas in British-made Provinces or Indian States and have become assimilated with them, so much so that the Rayalaseema districts are not at present eager to throw in their lot with the coastal districts; Cochin and Travancore would not easily coalesce with Malabar; and there are difficulties in the way of Mysore merging in Coorg and Karnataka districts; and Mahavidarbha is not keen on joining Bombay (Maharashtra). Each

of these differing elements now has its own special needs and problems, which require individual treatment and which prevent these elements from easily coming together in one homogeneous province contemplated by the Constitution unless special provisions be made for them.

It may, therefore, be safely assumed that linguistic groups as sub-nations do not exist anywhere at present. But if the intention were to bring sub-nations into existence, there could not be a better way of doing it than by putting together these differing elements in a linguistic province. An autonomous linguistic province, in other words, means an autonomous linguistic State and an autonomous linguistic State means, in the words of one of its exponents, that its territories are inviolate. And if in a linguistic province the majority language group comes to regard the territory of the entire province as exclusively its own, the time cannot be far distant when it will come to regard the minority living in that province and people living outside it as not their own. And once that stage is reached it will only be a question of time for that sub-nation to consider itself a full nation.

The strength of the demand for linguistic provinces lies in the fact that there is some advantage in imparting education, in working the Legislature, and in administration if a large majority of the people speak the same language and in the fact that these linguistic groups do not seem to live happily in the existing provinces and are anxious to separate. The demand receives added force from the fact that several of the existing provinces more or less possess linguistic homogeneity. That one part of the country is linguistically homogeneous, including the small Province of Orissa, which has to be maintained by subvention from the Centre, is a source of constant irritation to linguistically heterogeneous provinces. It certainly does not lie in the mouth of those who are living in a linguistically homogeneous province to point out its evils to those living in a heterogeneous province. Moreover the formation of linguistic provinces has been an article of faith in the current political thought of the country during the last 30 years and has received the support of the Congress and the blessings of Mahatma Gandhi.

The weakness of the demand lies in the fact that it involves the recognition of the principle of Government of a province by a linguistic group, which is basically wrong. Further it paves the way for the recognition of other group Governments for which there may exist a tendency in the country, for example, Government by Southerners in the south of India, Government by Sikhs and Jats in the north of India, and even Government by the non-Brahmins in certain areas of this country. It leads to the breaking up or

deterioration of vital organisms like capital cities and border districts where, for generations, a bilingual or multi-lingual life has flourished happily. It would further create minority problems and State problems of a kind which did not exist before. And, above all, it would bring into existence provinces with a sub-national bias at a time when nationalism is yet in its infancy and is not in a position to bear any strain. And, lastly, the motive behind the demand is open to serious challenge. It is not the ostensible ground of making democracy run smoother, but the fact that these several communities living in the province cannot get on together, that is behind the proposal to separate and form Governments of their own.

The existing Indian Provinces are administrative units of British imperialism. They came into existence in a somewhat haphazard way, and were not designed to work democratic institutions; they are certainly susceptible of more scientific and rational planning. But they have taken root and are now living vital organisms and have served the useful purpose of bringing together people, who might otherwise have remained separated. And though they may be somewhat disadvantageous in working modern democracy, they are not bad instruments for submerging a sub-national consciousness and moulding a nation.

In any rational and scientific planning that may take place in regard to the provinces of India in the future, homogeneity of language alone cannot be a decisive or even an important factor. Administrative convenience, history, geography, economy, culture, and many other matters will also have to be given due weight. It may be that the provinces thus formed will also show homogeneity of language and, in a way, might resemble linguistic provinces. But, in forming the provinces, the emphasis should be primarily on administrative convenience, and homogeneity of language will enter into consideration only as a matter of administrative convenience and not by its own independent force.

But this is certainly not the time for embarking upon the enterprise of re-drawing the map of the whole of southern India, including the Deccan, Bombay, and the Central Provinces. India is yet to become a nation, and Indian States are yet to be integrated. The problem of regrouping the provinces would become simpler when the future of the remaining States is definitely known. Again, India can ill spare at this moment and for some time to come the money, material, or administrative talent, which will be required for setting up half a dozen new Governments and new capitals. It cannot afford to add to its anxieties the heat, controversy and bitterness, which the demarcation of boundaries and allotment of the capital cities of Bombay and Madras will involve. And lastly by

splitting three existing provinces into half a dozen the economy of almost half the country will be so seriously upset that it should not be attempted without a great deal of study, preparation and planning. However urgent the problem of redistribution of provinces may be, it is not more urgent than the Defence problem, the inflation problem, the refugee problem, the food problem, the production problem, and many other problems with which India is burdened today. All these must get priority and the redistribution of provinces must wait till India has become a nation and has been fully integrated. If India lives, all her problems will be solved; if India does not survive, nothing will be gained by solving her linguistic provinces problem alone.

In order to secure this stability and integration, India should have a strong Centre and a national language. Indian nationalism is deeply wedded to its regional languages; Indian patriotism is aggressively attached to its provincial frontiers. If India is to survive, Indian nationalism and patriotism will have to sacrifice some of its cherished sentiments in the larger interests of the country. India has chosen for herself the destiny of a Federal Republic. In the Constitution, which is now being forged for her, a framework may be set up, which would enable her to find her destiny. Provide, if you will, for autonomous provinces and for adult franchise; but also recognize that there will be a period of transition, a period of trial and error, during which India will have to prepare for its destiny and during which the Centre must possess large, overriding powers of control and direction—powers which may be kept in reserve and may be sparingly used and finally abandoned, but which must be available for effective use if and when occasion arises.

Till nationalism has acquired sufficient strength to permit the formation of autonomous provinces, the true nature and function of a province under our Constitution should be that of an administrative unit functioning under delegated authority from the Centre and subject to the Centre's overriding powers in regard to its territory, its existence, and its functions. These powers are required to form new provinces and to mitigate the rigour of Government by linguistic majorities, to prevent a breakdown of the administration on account of disputes amongst linguistic groups, to check fissiparous tendencies and strengthen national feeling, and above all to build up an Indian nation.

An immediate solution has, however, to be found for the desire for separation which exists among the Telugus, Malayalees, Kannadigas, and Maharashtrians. These linguistic groups are entitled to their legitimate share in the administration, Government and development of their provinces. Two of these linguistic

groups, namely, Malayalees and Kannadigas, are situated at the tail-end of their provinces and represented by ineffectual minorities in their Legislatures. Two others, namely, the Telugus and the Maharashtrians in C.P. and Berar, are represented by large, virile, and group-conscious minorities; but they are faced with equally group-conscious majorities and the two refuse to coalesce and produce a harmonious Government. The clash and conflict, which exists between them, has brought the administration in Madras to a breaking point, and C.P. and Berar are also showing signs of going the same way. No particular grievance would seem to exist in the case of the Bombay Maharashtra group.

A number of constitutional safeguards were suggested to us to prevent such a breakdown. One commonly-favoured suggestion was that the Governor should always come from another province and should be selected by the Centre for his character and ability and armed with powers to prevent injustice to minorities, and charged with this duty in his Instrument of Instructions. Another suggestion was that Provincial Subjects should be reduced and Joint Subjects enlarged, and the Centre given residuary and overriding powers. The third was that the Government in these provinces should be run by turns by linguistic groups, or be divided into administrative regions, and that the Centre should impose conventions in regard to these matters under which the administration might be carried on. We have not considered in detail these and other similar suggestions made to us as it is not strictly within our province to do so. They all, however, lead to the inference that the Centre must be armed with overriding powers and must assume responsibility to guide democracy till Indian nationalism has been sufficiently strengthened and democracy is able to stand on its own legs.

The only good that we can see in a linguistic province is the possible advantage it has in working the legislature in the regional language. But this is more than counter-balanced by the obstruction the linguistic provinces will inevitably cause to the spread of national language or national feeling in the country. It is claimed—and the view is sincerely held—that the Telugu, Malayalee, Kannadiga, or Maharashtrian will be a better nationalist by being put in a linguistic province than without it. It is said that, by being put in a linguistic province, each linguistic group will be happier and stronger and will be able to develop according to its genius, and a stronger group will be able to serve India better and consequently will be a better nationalist. We are convinced that this is a mistaken view. The emotional response will always be greater than the one received by the national sentiment. The linguistic group, by being put into a linguistic

province, may or may not become stronger; but it does not follow that by being stronger it will become more nationalistic in outlook. Nationalism and sub-nationalism are two emotional experiences which grow at the expense of each other. In a linguistic province sub-nationalism will always be the dominant force and will always evoke greater emotional response; and, in a conflict between the two, the nascent nationalism is sure to lose ground and will ultimately be submerged.

No doubt it is a fact that in some of the existing provinces linguistic homogeneity exists, and this is a source of constant irritation to the other linguistic groups who are living in heterogeneous provinces. As soon as India has been physically and emotionally integrated, the Indian State problem solved and the national sentiment strengthened, the scientific planning of the existing provinces of India can be taken in hand as far as practicable and this invidious distinction obliterated; but till then it has to be accepted as an accident of history and all sub-national tendencies in the existing linguistic provinces should be suppressed.

It is true that these linguistic groups, who are clamouring for separate provinces, are not happy in their present surroundings and the friction and differences which subsist between them constitute a serious threat to good Government. This has already become a major administrative problem. But the mere fact that two large communities cannot get on together is no valid reason for breaking up a province even when these communities are numerically large enough, economically strong enough, and geographically contiguous enough to form provinces of their own. The principle underlying this separation would be so dangerous in its application to the rest of India that the strongest advocates of linguistic provinces have been compelled not to base their demand on this ground which is really at the back of their minds, but to make it on other ostensible grounds like benefit to democracy or preservation and development of their language and culture. Not only the groups, whose cases we are considering, but many other linguistic groups in so-called homogeneous provinces, and also many other communal groups, who have as strong an individuality as these linguistic groups possess, are not happy in their present surroundings. And if once this principle is recognized, it will set the ball rolling for the disintegration of the entire country. And we do not think that the case is any further advanced by the fact that these groups are not only discounted groups but also linguistic groups.

It is said that Congress pledges are behind this demand, and that the Congress has formed its provinces on a linguistic basis, that the present political leadership of the country is committed to it, that the desire for these provinces has sunk deep down into the

masses, and that, if it is now delayed or denied, it will cause serious discontent. There may be some truth in all this, but we trust that the political leadership in the country will rise to the occasion and guide the country to its duty. The Congress did not form its provinces on a linguistic basis alone, and so far as we are aware has not committed itself to any time limit in regard to the formation of these provinces, unless it be that the time-limit intended by the Congress was the attainment of Swaraj. But freedom has come to us in a way unforeseen and unthought of and has brought in its train problems and dangers never dreamt of. In view of the dangers, which now surround our country, and in the circumstances that now exist, the Congress stands relieved of all past commitments and it is its right as also its duty to come to a fresh decision on the subject in the light of the present circumstances.

The caste system and sectional and group interests stir up some of the deepest emotions in the Indian heart. Those patriotic persons, who fought the battle of freedom under the banner of the Congress and who are now agitating for separate provinces, share the sentiments of their countrymen. They find it difficult to understand how they will become less national-minded and less patriotic by harbouring sentiments, which they had cherished all along and for which a linguistic province is a natural expression, when these very sentiments did not stand in the way of their uniting and making immense sacrifices for the cause of Indian freedom in the struggle against British imperialism. They do not realize that nationalism born under the stress of foreign domination or of the fear of external aggression cannot stand the strain of normal times unless there is some deeper unity to support it when the stresses which have brought it into being disappear. History is replete with examples of great movements born of a sudden surge of feeling meeting with disaster when the moving stimulus was withdrawn. And Indian unity and Indian nationalism, which are yet in their infancy, will not be able to bear the strain of normal times, unless the mass psychology undergoes a radical change and ceases to think in terms of "mine" and "thine" in so far as the nation and the State are concerned. If India is to live, there simply cannot be an autonomous State anywhere in India for any group, linguistic or otherwise; and no sub-national province can be formed without preparing the way for ultimate disaster.

So clear is the force of logic with which the case of Indian nationalism presents itself to an unprejudiced mind, and at the same time so keen is the desire for linguistic provinces in certain areas that all sensible advocates of such provinces are even prepared to abandon provincial autonomy and accept a unitary

Government for India. All the best evidence presented before us is unanimous regarding a strong Centre with overriding powers and a compulsory national and official language to be enforced by statute. If India decides that the existing linguistic provinces should be retained and others formed in the future it must prepare itself for a unitary government at least for the period of transition. And the Constitution should provide for a gradual devolution of power to provinces with full autonomy only when Indian nationalism has been sufficiently strengthened. This is the least margin of safety under which these linguistic provinces can be permitted to function.

This inquiry in some ways has been an eye-opener to us. The work of 60 years of the Indian National Congress was standing before us face to face with centuries-old India of narrow loyalties, petty jealousies, and ignorant prejudices engaged in a mortal conflict, and we were simply horrified to see how thin was the ice upon which we were skating. Some of the ablest men in the country came before us and confidently and emphatically stated that language in this country stood for and represented the culture, tradition, race, history, individuality and, finally, a sub-nation; that the government of a linguistic group could not be safely left in the hands of a multi-lingual group; and that each linguistic group must have a territory of its own and that its territory was inviolate and could not be shared by any other linguistic group. And it is fair to state that these were not individual views, but the views of a great many of our countrymen. The bitter dispute which rages between Tamils and Telugus in regard to the city of Madras and, in a greater degree, between the Marathas and Gujaratis about the city of Bombay reveals a mentality which to our mind will be the death-knell of Indian nationalism.

The basic facts of the Indian situation are well known and well settled, and are not in dispute on either side. India can only live by the strength of its nationalism; Indian nationalism must find its expression in democracy and not in a kind of fascism; that democracy in this country can only function through a Federation as an absolute unitary Government for such a vast country is neither desirable nor practicable; and a Federation requires contented and happy units and some measure of autonomy for these units.

Our masses have been exploited and have long been suffering and their relief is overdue; and they are entitled immediately to the widest possible education and the widest possible franchise; and all these objectives have to be achieved within the framework of a society, which is cast-ridden, group-conscious, and in the grip of reactionary vested interests, religious and secular. So far there is no dispute. The dispute arises in marking out the spheres within which the national-

ism of the country and its reactionary tendencies have to find an outlet

These linguistic provinces make a strong appeal to the imagination of many of our countrymen and there exists a large volume of public support in their favour. Indeed, in the coastal districts of Andhra, the demand has become, in the words of one of its leading advocates, "a passion and has ceased to be a matter of reason"; and the heat and passion and controversy, which gathered round the work of this Commission and which we witnessed during the course of our work, are in themselves a proof of the intensity of feeling which exists on this subject. The non-fulfilment of a demand of this nature may easily lead to a sense of frustration, and there is grave risk in turning it down; and such a risk can only be justified in the interests of national emergency.

In our opinion, however, such an emergency exists at present in this country. The first and last need of India at the present moment is that it should be a nation. The Constitution, which is now being forged for India, as also all the multifarious problems, which clamour for an immediate solution, have got to be considered in relation to this paramount necessity. Everything which helps the growth of nationalism has to go forward, and everything, which throws obstacles in its way, has to be rejected or should stand over. We have applied this test to linguistic provinces also, and judged by this test, in our opinion, they fail and cannot be supported.

It has given us no pleasure to come to a decision, which runs counter to the cherished desires of so many countrymen of ours in Andhra, Kerala, Karnataka and Maharashtra. Throughout this inquiry a strong and able opinion has ranged itself against the formation of these linguistic provinces outside the areas in which the demand was put forward. This opinion proceeded from persons in all walks of life, including some of our ablest administrators and most distinguished countrymen. The case against the formation of linguistic provinces and the arguments by which it was supported have been adverted to in an earlier portion of this Report. If it were possible to decide the question of formation of linguistic provinces with reference to the wishes of the people who want these provinces alone, we should have been prepared to gratify their wishes. We do not think, however, that a question of such national importance can be decided with reference to such wishes without taking into account the repercussions which they would have on the country as a whole. And, judging that way, we have come to the conclusion, reluctantly but definitely, that the case against linguistic provinces is the sounder of the two.

But this finding does not dispose of the administra-

tive problems, which already exist, having regard to the mutual relations of these linguistic groups, nor does it in any way militate against the formation of administrative provinces out of these linguistic areas should such provinces be decided upon in future on purely administrative considerations.

An urgent case, however, exists for adjusting the relations of the various linguistic groups in the Government of the existing provinces. Two of these linguistic groups, Kerala and Karnataka, being situated at the tail-end of their provinces and represented by ineffective minorities, have undoubtedly suffered in their development. There can be no doubt that they would prosper and be able to manage their affairs much better under their own Government nearer home if such a Government were possible. The cases of Andhra, C.P. and Maharashtra are more complicated and have a political colouring. The clash and conflict, which strains the relations between Telugus and Tamils in Madras, is a serious handicap to the efficient administration of that province. And this is also true, though in a much lesser degree, of the relations between Mahavidarbha and Mahakoshal in the province of C.P. and Berar.

The evidence placed before us does not lead to the conclusion that the existing provinces of Madras, Bombay, C.P. and Berar are administratively inconvenient or that their re-formation on administrative grounds is immediately necessary and cannot wait. But it is not unlikely that when Indian States have aligned themselves with Indian provinces and India has been physically and emotionally integrated and has stabilized itself some of the existing Indian provinces may have to be re-framed. In any rational and scientific planning, which may then take place, the natural place of Malabar will be with Cochin and Travancore and of the Union Karnataka with Mysore and their problems will be automatically solved. In such a planning it may not be generally necessary to break up the bilingual border districts and they may be disposed of on their individual economic and historical affinities, and capital cities like Bombay and Madras should receive special treatment, which their interest and the larger interests of the nation may demand. Subject to the above and other relevant considerations, if re-formed provinces present features of linguistic homogeneity also that will be an additional advantage. If the Government of the day should decide to re-form these provinces, an attempt should be made to secure the agreement of the parties concerned, which alone would ensure future harmonious relations.

Our conclusions, therefore, are:

(1) The formation of provinces on exclusively or even mainly linguistic considerations is not in the larger



interests of the Indian nation and should not be taken in hand.

(2) The existing Provinces of Madras, Bombay, C.P. and Berar present serious administrative problems for which an administrative solution is urgently necessary and it is for the Centre to find a satisfactory solution of these problems.

(3) The aforesaid problems do not call for an immediate re-formation of provinces. As soon as Indian States have been integrated and the country has stabilized itself and other conditions are favourable they may be re-formed and convenient administrative provinces set up.

(4) In the formation of new provinces, whenever such a work is taken in hand, oneness of language may be one of the factors to be taken into consideration along with others; but it should not be the decisive or even the main factor. Generally speaking, bilingual

districts in border areas, which have developed an economic and organic life of their own, should not be broken up and should be disposed of on considerations of their own special needs. Similarly, the cities of Bombay and Madras should receive special treatment and be disposed of in the best interests of India as a whole and in their own interests. Subject to above and other relevant and paramount considerations, if some new provinces come into being and produce more or less linguistic homogeneity they need not be objected to.

(5) If any powers are necessary for the Centre for a proper solution of the administrative problems in the provinces the Constitution should provide for them.

We find that no new provinces out of those referred to us should be formed for the present; and, in view of this finding, the other questions referred to us do not arise and need no answer.

## RUNNING STAFF PAY AND ALLOWANCES COMMITTEE, 1948—REPORT

New Delhi, Railway Board, 1949. 79p.

Chairman : Shri D. P. Mathur.

Members : Shri M. D. Balaraman; Shri N. G. Hoskote.

### APPOINTMENT

The Running Staff Pay and Allowances Committee was constituted under the Railway Board vide their letter No. E47-CPC/AL/(1), dated July 1, 1948.

### TERMS OF REFERENCE

(i) To examine the prescribed scales of pay recommended for Drivers, Firemen, Guards and other Running Staff on Railways by the Central Pay Commission, and to make recommendations in respect of reasonable basic scales to replace these prescribed scales in the light of actual conditions of work and of the reduction in the hours of work, as recommended in the Adjudicator's Award and also in view of the desirability of obtaining suitable direct recruits for these categories.

(ii) To frame revised Running Allowance Rules for Running Staff on a uniform basis for all Indian Government Railways, keeping in mind the desirability of ensuring that the total emoluments of running staff prior to the introduction of the prescribed scales are, as far as possible, not reduced upon the alteration in the basic scales, and the formulation of the new basis for the payment of running allowances.

(iii) To make recommendations regarding the standards that should be adopted uniformly on Indian Government Railways in designating and classifying Drivers, Firemen, Guards, etc., in the various grades finally fixed for them.

(iv) To make recommendations regarding the recruitment, training and channels of promotion for Drivers, Firemen, Guards, etc.

(v) To make any other recommendations concerning Drivers, Firemen, Guards, etc.

### CONTENTS

Part I: Appointment of the Committee and its Terms of Reference; General Considerations and Historical Background; General Review of Systems in force on the various Railways regulating the Emoluments of Running Staff—Section A: Running Allowances; Section B: Scales of Pay in force on Railways and proportion which Running Allowances bear to Basic Pay; Part II: Principles that should govern the future Pay and Allowance Structure of Running Staff—Section A: Distribution of Total Emoluments as between Pay and Running Allowances; Section B: Levels of Total Emoluments; Scales of Pay to be adopted for Running Staff in the future Pay Structure; Principles which should govern allotment of Grades; General Principles which should govern payment of Running Allowances; Draft Rules for payment

of Running Allowances and Overtime to Running Staff; Channels of Promotion for Loco and Traffic Running Staff; Miscellaneous Recommendations; Annexures; Appendices.

## RECOMMENDATIONS

### Protection Of Emoluments Of Individual Staff

The desirability of ensuring that the total emoluments of Running Staff prior to the introduction of the Prescribed Scales are as far as possible not reduced, as a result of the application of the Scales of Pay and Running Allowances, has been borne in mind by the Committee in framing their recommendations. It is, however, impracticable to legislate in a manner that will ensure that every individual's emoluments are preserved. Cases may arise where the emoluments of individual employees may be adversely affected by the revisions proposed. Such a possibility is envisaged particularly in view of the general feeling prevailing that the rules for the fixation of pay in the Prescribed Scales did not help very much to improve the position due to the absence of provisions giving adequate weightage for length of service. Human nature being what it is, the staff might welcome a substantial reduction in the hours of work but they would not reconcile themselves easily to even a small decrease in their emoluments. In the absence of adequate weightage for length of service, the Committee visualize that loss of emoluments may take place as the rise in basic pay on fixation in the proposed scales of pay may, in some cases, bring little gain while the allowances undergo a substantial reduction. Pending the full implementation of the Adjudicator's Award, however, it is anticipated that Running Staff, working up to their present level of hours of duty, would qualify for emoluments generally in excess of the levels of remuneration envisaged in the Report. Enhanced earnings from Running Allowances during the interregnum should be regarded as reasonable remuneration for the excessive hours of work put in by members of the Running Staff on duty. In the fullness of time, when the Adjudicator's Award is fully implemented, the emoluments of the Running Staff will ultimately decline to the level contemplated in the Report. In any case, the necessity for some form of protection to save individuals from loss of emoluments may arise.

In making their recommendations regarding the pay and allowances, the Committee have assumed that they would compulsorily apply to post-1931 staff and optionally to pre-1931 employees who may, if they so choose, elect the Prescribed Scales of Pay and Allowances. It

is normally expected that the pre-1931 employees drawing a high level of allowances would not ordinarily elect the revised Running Allowance Rules. It is also evident that Running Allowances drawn by pre-1931 staff will suffer a reduction on implementation of the Award. It was not possible for the Committee to have formulated a scheme of Pay and Allowances which would have covered pre-1931 staff without unduly raising the proposed level of total emoluments.

To ensure uniformity in application of rules regulating Running Allowances, it might be advantageous to offer as inducement pre-1931 staff to elect the new Running Allowance Rules. The requisite inducement would rest on protection being afforded to their present level of Running Allowances. The occasion for offering such inducement would arise when the Adjudicator's Award has been fully implemented because pre-1931 staff might conceivably ask for compensation for loss of Running Allowances arising from the implementation of the Award. The grant of the compensation could then be made contingent on their adopting the New Running Allowance Rules.

### Employment Of Intermediate-Grade Guards To Tranship (Van And S.Q.T.) Services

The E.I. Railway run their Tranship Trains (S.Q.T.s) with intermediate grades of Guards. The Committee consider that employment of higher-grade employees possessing more experience and higher sense of responsibility in dealings with a large number of small packages should make for improvement in the running of these trains. In view of the unsatisfactory running of Tranship and Section Trains generally, it is recommended that the E.I. Railway practice may be adopted with advantage on all Railways.

### Appointment Of Brakesmen In Place Of Guards And Clerks

The E.P. and E.I. Railways employ so-called Lug-gage Guards who are fully qualified Guards to run on trains in addition to the Guard in charge of the train. E. I. Railway have recently started employing Brakesmen. This system of working in which Guards are employed to perform duties analogous to those of Brakesmen would appear to be uneconomical and should, in the opinion of the Committee, be replaced uniformly by employment of Brakesmen. Similarly, the practice of employing Van Clerks on the O.T. Railway in place of Brakesmen needs replacement to secure uniformity of practice on all Railways.

# REVIEWING COMMITTEE OF THE INDIAN INSTITUTE OF SCIENCE, BANGALORE, 1948—REPORT

New Delhi, Ministry of Education, 1949. 68p.

Chairman : Sir Alfred Egerton.

Members : Sir Ben Lockspeiser; Dr. J. N. Mukherjee.

Secretary : Shri G. K. Chandiramani.

## APPOINTMENT

The Reviewing Committee of the Indian Institute of Bangalore was constituted under the Government of India vide their Resolution No. F. 9-27(94)/46-E. III(A) dated August 5, 1948.

## TERMS OF REFERENCE

(1) To review the working and development of the Institute with special reference to the purposes for which it was founded and, if any changes are considered desirable in the organization or activities of the Institute for the better achievement of these purposes, to make recommendations accordingly with due regard to the Institute's actual or reasonably augmentable financial resources, in particular:

(i) to report on the progress made with the execution of the development plans already undertaken.

(ii) to examine the work of each department and the library of the Institute during the last decade with special reference to:

(a) the extent and quality of research work done;

(b) the formation of sections and their grouping within various departments;

(c) the extent of co-operation and co-ordination amongst the various departments; and

(d) the development of team-work in research and to make recommendations in regard to the possibilities for further effective collaboration amongst departments and sections in their research activities.

(iii) to make recommendations with the object of increasing the quantity and quality of research work in regard to the selection of research staff and workers and to consider whether the guidance of students for M.Sc. degrees of Universities is a proper function of the Institute.

(iv) to examine the extent to which researches in applied sciences have been carried out and utilized by industry; to consider the rules made in this behalf and to make recommendations for an effective liaison between the Institute and Industry for the greater benefit of the country, as contemplated by the donor in his original scheme of Endowment.

(v) to review the work done during the War at the request of the Government of India and to consider

how best the Institute can assist the Government in research matters.

(vi) to report on the adequacy or otherwise and the utilization of the existing scientific equipment and apparatus and to make recommendations in regard to the provision that should be made for new equipment over the next three years.

(vii) to consider the plans for expansion of the activities of the Institute, such as establishment of a Central Production Workshop, reorganization of the Aeronautical Engineering Department, etc.

(viii) to consider whether any revision of the pay scales of teaching staff is necessary.

(ix) to review the financial position in the light of the normal revenues of the Institute for the maintenance of the old departments and the ad hoc grant for the new departments; to consider the extent to which the original grant of the Government of India for the recurring expenditure should be enhanced; and to consider the advisability of augmenting the fee income.

(x) to report on the working of the Court, the Council and the Senate of the Institute.

(2) To advise generally on any matter which, in the opinion of the Committee, is of importance to the Institute.

## CONTENTS

Letter to H. E. the Governor-General of India; Introduction; Terms of Reference; Structure of the Report; Summary and Main Recommendations; Main Recommendations; General Considerations and Character of the Institute; Organization and Administration; Organization and Work of the Institute; Financial Review.

## RECOMMENDATIONS

The Institute should continue its development as a higher technical institute.

The main recommendations on the development of the departments are:

(a) Mathematics, establishment of a Department of Applied Mathematics.

(b) Chemistry, creation of a chair of Physical Chemistry and appointment of a Superintendent Professor.

(c) Radio and Radar, the Department of Electrical Communication should concentrate on teaching radio and radar.

(d) Aeronautics, the Aeronautical Engineering Department should widen its scope and co-ordinate teaching in other departments to provide a fuller course.

(e) Instrumentation, an Instrument Section should be established in the Department of Mechanical Engineering and Workshop.

(f) Information Bureau, the activities should be consolidated and considerably expanded.

The powers, functions and responsibilities of the various authorities should be more clearly defined and procedure regularized. In particular :

(a) Council should lay down a broad policy. Its scientific membership should be increased.

(b) Director should have full powers for administration and should be an eminent scientist.

Selection Committees should be strengthened.

Salary Scales should be increased.

Scholarships should be increased.

Student amenities should be improved and accommodation increased.

Means for Balancing Budget should include increased financial assistance to the Institute.

## THE HOMOEOPATHIC ENQUIRY COMMITTEE, 1948—REPORT

Delhi, Manager of Publications, 1949. 125p.

Chairman : Dr. J. N. Mukherjee.

Members : Col. Amir Chand; Dr. P. N. Chopra; Dr. L. D. Dhawale; Dr. J. N. Hazra; Dr. Diwan Jai Chand; Dr. J. N. Majumdar; Col. K. V. Ramana Rao; Dr. S. C. Sen.

N.B.—Captain H. N. Shivapuri resigned and Col. Amir Chand took his place from January 21, 1949.

Secretary : Dr. Diwan Chand Chopra.

### APPOINTMENT

The Homoeopathic Enquiry Committee was constituted under the Ministry of Health vide their letter No. F. 6-5/48-MI dated August 31, 1948.

### TERMS OF REFERENCE

(i) To report on the place of homoeopathy in relation to medicine in all its aspects including the treatment, prevention and control of diseases;

(ii) To survey the existing facilities for the teaching of homoeopathy in India, the extent to which this system of treatment is practised in the country, and the manner in which such practice is carried on, i.e., whether by people adequately trained or not; and

(iii) To make recommendations to the Government on,

(a) the measures to be taken to improve facilities for training in homoeopathy and to regulate such training; and

(b) the desirability of State control of the practice

of homoeopathy and, if control is desirable, the manner of such control.

### CONTENTS

Introduction; Scope of Enquiry; Present State of Medicine as a Science and the Developments which have preceded it; Measures for the Treatment, Prevention and Control of Disease; General Conditions of Medical Aid in India; Functions of the State in the Matter of Medicine and Public Health and the Conditions to be Fulfilled by a System of Medicine; Principles of Homoeopathy and its Distinctive Approach Towards Treatment of Diseased Conditions; Homoeopathy in Other Countries; Place of Homoeopathy in Medicine in all its Aspects; Action Taken or Contemplated by Provincial and State Governments to Regulate the Practice of Homoeopathy; Survey of the Existing Facilities for the Teaching of Homoeopathy in India; Extent to which the Homoeopathic System is Practised in the Country; Conditions of Practice of Homoeopathy; Views of Certain Honourable Ministers of Health of the Provinces on Homoeopathy as Practised in India; Other Views; Recommendations; Central Council of Homoeopathic Medicine; Training in Homoeopathy; Summary; Annexures.

### RECOMMENDATIONS

#### I. Central Council Of Homoeopathic Medicine

In Ch. II we have mentioned the conditions which must, in our opinion, be satisfied by any system of medicine in order to deserve recognition and adminis-

trative and financial assistance from the State. We have pointed out that the conditions precedent to such recognition and assistance must be that the particular system of medicine should be able to diagnose a diseased condition, to participate in Public Health measures of the Government for prevention and control of disease and to make available to the State the services of qualified medical men with supplementary training, if need be, in times of emergency, e.g. during war or epidemics. The system must also keep abreast of scientific developments. If the main conditions stated above are held to be satisfied by a particular System of Medicine, it would fully deserve State recognition and support. It seems redundant on our part to emphasize the fact that a State, which does not apply the above criteria before giving its recognition and support to a system of medicine, accepts, unjustifiably to our mind, a risk which is bound to have far-reaching consequences. Again, the first and foremost duty of a State is that it must adopt effective measures to ensure that the life of its citizens is not endangered by persons who have no scientific training and systematic education for medical and surgical practice. It is its bounden duty to take all steps necessary to ensure that its citizens have reasonable facilities to maintain good health. It is the function of a State to provide adequate medical aid as regards both curative and preventive measures. It follows that the State must have proper and adequate control and supervision over the practice of medicine and medical education.

We note that the World Medical Association has recently collected information on the adequacy or otherwise of official or unofficial control of medical practice in different countries. National Medical Associations of 12 countries held the view that the controls were adequate and effective. Three of these 12, namely, Switzerland, Sweden and the U.S.A., had both legislative and unofficial controls while nine others, namely, Bulgaria, Canada, Chili, Denmark, Eire, France, Haiti, Iceland and Norway, had had legislative provisions but no unofficial organizations. In Belgium, Luxemburg and the Philippines, the control was considered to be inadequate and ineffectual. Belgium had both legislative and unofficial machinery for control. China, New Foundland, New Zealand and South Africa reported insufficient or partial control although China had both legislative and unofficial control. Great Britain reported improvement but considered that more control was desirable although it had legislative and unofficial machinery for control. Australia had effective control in three States, ineffectual control in two States and information regarding the other States was not available. Australia had legislative control in all but one

State and unofficial machinery in all States. India and Pakistan having no control desired to have an effective system of control.

The views expressed by the National Medical Associations in outlining the further steps needed varied widely. They included suggestions regarding:

- (1) Strict enforcement of existing regulations with severe penalties for infractions;
- (2) Adequate funds, personnel and facilities for purposes of control;
- (3) Improved legislative measures;
- (4) Support by the medical profession to check illegal advertisements even to the extent of prosecutions by the National Medical Association in cases of illegal advertising;
- (5) Maintenance of distinction between Articles of Hygiene and modifications with control over both;
- (6) Higher standards for pharmacists;
- (7) Control of cult practice and unqualified individuals prescribing medications;
- (8) Popular health education programmes; and
- (9) Better co-ordination of law governing advertisement and sale of secret remedies and appliances, registration of manufacturers, proprietors and importers who would be required to pay the prescribed fees and furnish lists of medicines and appliances; exact and complete statement of ingredients and their use; maintenance of a sample of each appliance; issue of registration numbers for each remedy permitted to be sold and imprinted on the bottle or label; prohibition by law of invitations to sufferers to correspond with vendors and of the use of fictitious testimony.

In so far as India is concerned, an initial stage towards this direction of control can be traced to the Bombay Medical Act of 1912, the Bengal Medical Act of 1914, the Madras Medical Registration Act of 1914, the Punjab Medical Registration Act of 1916 and the U.P. Medical Act of 1917. These Acts applied mainly to the practitioners of the Western system of medicine for whom certain minimum qualifications were laid down. None of these Acts provided for compulsory registration nor did they make a reference to the innumerable practitioners or other systems of medicine.

The Indian Medical Degrees Act, 1916, regulates the grant of titles implying qualifications in Western Medical Science and prohibits the assumption and use by unqualified persons of such titles. Western Medical Science is defined to mean Western method of Allopathic Medicine, Obstetrics and Surgery but does not include Homoeopathic, Unani or Ayurvedic Systems of Medicine. The right of conferring or issuing degrees, diplomas, licences and certificates is exercised by the Government of India or the Provincial Governments. It prohibits any person other than holders of such

titles to use diplomas. The penalty for non-compliance is a fine which may extend to Rs. 1,000. This provision does not apply to people who had been using these degrees prior to 1916. The provisions have been modified by the Madras, Bengal, Bihar and U.P. Governments. The Bombay Indigenous Medical Act, 1949, has included other Systems of Medicine and C.P. and Berar in their Degrees Amendment Bill, 1948, have also included practitioners of other Systems of Medicine. It is understood that the Act is being revised at present in the East Punjab.

It was in 1933 that the Government of India enacted the Government of India Medical Council Act which gave the Indian Medical Council supervisory powers over "certain medical qualifications which are granted by Indian Universities and which are incorporated in the First Schedule of the Indian Medical Council Act". The Act deals with the "Western System of Medical Education" only and makes no reference to education in any of the other Systems of Medicine.

The question of registration and control over the Homoeopathic System of Medicine was, however, taken up subsequently on a Provincial basis by the Governments of Bengal, Bombay, Madras, Bihar, Central Provinces and Berar and the United Provinces and by certain Indian States like Baroda and Travancore. An account of the action taken by Provincial and State Governments has been given in Ch. VI of this Report.

We feel that it is difficult to lay down exhaustively the conditions of State control but we consider that legislation for the control of the practice of and training in Homoeopathy should aim at:

(i) Adequate provision for the supervision and control of Homoeopathic educational institutions and hospitals;

(ii) Registration of practitioners of the Homoeopathic system; and

(iii) Control over Homoeopathic pharmacies, pharmaceutical laboratories and manufacturing concerns.

In Ch. VII we have given facts and figures to show that by far the vast majority of existing Homoeopathic practitioners had received no training in the basic and medical sciences. We have also referred to the extent to which quackery is prevalent and have pointed out that the duty of the State is to ensure that the health of the people is not jeopardized by such conditions. We definitely recommend that in future no person who has not undergone a regular course of training in the basic and medical sciences, as discussed earlier in the report, should be allowed to engage himself in the practice of Homoeopathy in future. We also recommend that their names must be entered into a register in a manner to be prescribed by law.

We have indicated that while four of the existing institutions attempted to impart a course of basic scientific training, even though the standard of teaching and equipment falls far short of that obtaining in the least equipped medical schools in India, no other existing Homoeopathic institution can be said to be capable of giving such a training. We have, however, to consider the large number of existing Homoeopathic practitioners who are now earning a livelihood and on whom a section of the population depends for medical relief, whatever this may mean in actual practice. We also feel that we have to take note of the action taken by different Provincial Governments, which has been detailed in Ch. VI. We have given very careful consideration to all aspects of the case and while we feel that for human reasons we have to consider sympathetically the claims of existing unqualified Homoeopathic practitioners, we cannot shirk the duty of making recommendations to ensure that minimum harm is done to the health of the population.

Various suggestions have been made to us as to the manner in which we can bring the existing practitioners on a register or a list. We have given careful thought to these and we think that the following recommendations not only represent the general consensus of opinion expressed before us but also will best achieve which we have in view. We recommend therefore that:

(a) The categories (i) to (iv) below should be placed on a "Register".

(i) Registered Medical Practitioners who have taken to the practice of Homoeopathy;

(ii) Medical Practitioners holding degrees from foreign countries, which entitled them to practise medicine in the countries where such qualifications were obtained;

(iii) Those who have successfully gone through the four-year course of training in any one of the four institutions mentioned in Para. 116;

(iv) Graduates of the Central College of Homoeopathy, Calcutta, the Regular College of Homoeopathy, Calcutta, and the Ashutosh Homoeopathic College, Calcutta, which have ceased to exist but used to have four-year course of training in Basic Sciences and in Homoeopathy, should be put on the Register.

(b) The following category (v) should be placed on a "List":

(v) Those who satisfy the Board we have recommended to be set up that they are bona fide whole-time practitioners of Homoeopathy for not less than 7 years at the time when effect is given to our recommendations.

The following category (vi) may also be placed on the "List" subject to the conditions mentioned below:

(vi) All other categories of existing Homoeopathic practitioners should be included in the List,

provided they pass a test in both the Theory and Practice of Medicine of Homoeopathy, as may be laid down by the Board mentioned above. We are definitely of the opinion, however, that the test should conform at least to the existing standard as has been laid down by the General Council of State Faculty of Homoeopathic Medicine, West Bengal. The test will be continued for a period of not more than three years and may be held twice a year. Any existing Homoeopathic practitioners who will not be able to pass the examination within the above period of three years from the date when effect is given to our recommendations should be debarred from practising Homoeopathy.

We unanimously and emphatically recommend that immediate steps should be taken by the Central and Provincial Governments and States to declare illegal the use of bogus degrees, diplomas, or titles, and their colourable imitations not obtained as a result of regular institutional training in an institution recognized by the Government of the Province or State in which the institution is situated and institutions mentioned in Para. 116 which we have recognized for the purpose of registration of Homoeopathic practitioners. We recommend to the Central and Provincial Governments to take appropriate legal action to penalize the use of such bogus degrees, diplomas, titles and their colourable imitations.

Two members of our Committee representing the regular system of medicine were definitely of the opinion that in future nobody without adequate training and qualifications recognized by the Government should be allowed to practise medicine but as a temporary measure and in view of the large number of persons who are now practising and who will be deprived of their livelihood they agreed with the rest of us to the maintenance of a List to absorb some of those people who are practising Homoeopathy at present provided that they had a minimum of experience as may be laid down by law. No further additions should, however, be made to that List after it was once compiled so that the numbers included will diminish and the class will vanish in course of time. They felt that all persons practising Homoeopathy for a period of not less than 10 years, subject to this fact being certified in a prescribed manner and the passing of a satisfactory test, should be put on the List.

We have distinguished between a "Register" and a "List" because we feel such a distinction to be essential. Registration which means the entering of the names of practitioners on a prescribed Register is intended:

- (i) to safeguard the public;
- (ii) to facilitate control of practice;
- (iii) to enable practitioners to get the privileges and

rights of bona fide medical practitioners and to protect them against unfair competition by unqualified persons;

(iv) to provide an electorate for the Provincial branches of the Central Board; and

(v) to protect the public from being exploited by quacks.

The "Registered" Homoeopathic Practitioners will be entitled to sign or authenticate a birth or death certificate and a medical or physical fitness certificate and to give evidence at any inquest or in a court of law as an expert under Section 45 of the Indian Evidence Act, 1872. The "Listed" practitioners will not enjoy any of the above privileges although they will be entitled to practise Homoeopathy.

We carefully considered whether control by the State was necessary and, if so, what steps should be taken by the Government in that direction. We examined also what would be the functions of the Centre and of the Provinces and the States, if control was to be introduced. Excepting two members of the Committee whose views have been stated later, we feel that in order to secure uniformity both in standard and conditions of practice and training, there should be a Central Council of Homoeopathic Medicine as also Provincial Boards or Faculties of Homoeopathy. The functions of the Central Council would be co-ordination and advice and control with regard to the maintenance of standards. We further considered that in view of the facts revealed before us and of the almost complete absence of uniformity in the standards of Homoeopathic training and practice and the prevalence of quackery, the Central Council should be constituted immediately in order to enable it to take action for the constitution of the Provincial Boards through the Provincial Governments or State Union Governments.

We recommend, therefore, as follows:

A Council of Homoeopathic Medicine shall be established by law and called the Central Council of Homoeopathic Medicine, India, hereafter referred to as the Council. It shall come into existence on such date as the Central Government may fix by a notification in the Gazette. The members constituting the first Council will hold office for a period of five years; any vacancy during this period will be filled by nomination by the Government of India as provided below. The term of office of elected members shall be for three years after the first period of five years of the life of the Council.

The Council shall consist of the following members:

- (i) A President who shall be a whole-time recognized Homoeopathic practitioner, to be elected from amongst the members of the Council subject to the proviso that the Director-General of Health Services, Government of India, shall be the President of the

Council during the first term of five years. Subsequently the President will be elected by the Council from amongst its members and he will hold office for a period of three years, but the Director-General of Health Services, Government of India, will be the ex-officio member of the Council.

(ii) A Vice-President to be elected from amongst the members of the Council for a period of three years. He should be a whole-time recognized Homoeopathic practitioner.

(iii) One member to be elected from each Province and State Union from amongst the recognized Homoeopathic practitioners of the Province or the State Union.

For the first five years, these members will be nominated by the Ministry of Health, Government of India, in consultation with the Provincial or State Union Governments.

(iv) Two members to be elected by the Inter-University Board of India, one of whom shall be a member of the said Board and the other shall be a member of the Faculty of Medicine of an Indian University.

(v) The Director-General of Health Services, Government of India—ex-officio.

(vi) One member each from the two Houses of the Indian Parliament.

(vii) Three members who are "recognized" Homoeopathic practitioners to be elected from amongst the Heads of the Homoeopathic Educational Institutions recognized by the Provincial or State Union Governments, subject to the proviso that not more than one member will be elected from any one Province or State Union. For the first term of five years of the Council, these members will be nominated by the Ministry of Health, Government of India, in consultation with the Provincial or State Union Governments.

(viii) One member from the National Institute of Science from amongst the Fellows of the said Institute.

(ix) Four members who shall be recognized Homoeopathic practitioners to be nominated by the Central Government.

The Government of India will appoint a whole-time paid Secretary who will conduct and administer the affairs of the Council, but will not be a member of the latter.

The word "recognized" shall mean Homoeopathic practitioners who hold a qualification as laid down in Para. 159 entitling them to be put on the Register and have practised Homoeopathy for at least five years previous to the date of nomination.

The functions of the Council shall be mainly of a co-ordinating and advisory nature, but the Council will have powers to control, which will be exercised through the Provincial Boards or Faculties, in the following matters:

(i) Standard, equipment and training of affiliated Homoeopathic institutions;

(ii) Standard of examinations to be held for Homoeopathic students;

(iii) Registration of existing Homoeopathic practitioners; and

(iv) Homoeopathic pharmacies, pharmaceutical laboratories and manufacturing concerns.

The Council will have full powers of inspection in all matters.

Provincial or State Boards or Faculties, as may be set up by Governments of Provincial or State Unions, will be responsible for the maintenance of registers, for the actual conducting of examinations, publication of results and enforcement of disciplinary action, subject to the supervisory authority of the Council.

The Provincial Boards or Faculties shall be constituted with the following as members :

A President: The Surgeon-General or the Inspector-General of Civil Hospitals shall be the President of the Provincial or State Union Boards during the first term of five years, after which the President will be elected by the Board from amongst its members, but the Inspector-General of Civil Hospitals or the Surgeon-General, as the case may be, will continue to be an ex-officio member of the Board.

A Vice-President: To be elected from amongst the members of the Board. He shall be a whole-time recognized Homoeopathic practitioner.

Ten members to be nominated by the Provincial Government for the first term of five years of the Board and to be elected thereafter from amongst the recognized Homoeopathic practitioners, one from each of the 10 areas into which the Province or the State Union will be divided for this purpose. These areas will not include the provincial capitals, which constitute separate electoral areas.

Five recognized Homoeopathic practitioners from the capital of the Province or State Union.

One member who shall not be a medical practitioner to be nominated by the Corporation or the Municipality of the capital town of the Province.

One member, who shall not be a medical practitioner, nominated by the Provincial University or Universities wherever they exist.

One member from the heads of such Homoeopathic educational institutions as are affiliated to the respective Provincial Boards. These members shall be recognized Homoeopathic practitioners.

Two members, who shall not be medical practitioners from the Provincial Legislature.

There shall be a whole-time paid Registrar who will also act as Secretary to the Board.

The word "recognized" has the same meaning as defined in Para. 165(2).



Subject to the provision that in all matters coming within the functions of the Central Council, the Provincial Boards will act under the authority of the former, the functions of the latter shall be :

(1) To maintain a "Register" and a "List" of Homoeopathic Practitioners;

(2) To maintain the standard of teaching and of equipment of Homoeopathic medical institutions, as laid down by the Central Council of Homoeopathic Medicine;

(3) To affiliate Homoeopathic institutions to the Provincial Board;

(4) To hold examinations and to grant licences or diplomas to the successful candidates, according to such rules as may be laid down by the Central Council;

(5) To advise the Provincial Government and general public on all matters relating to advancement of Homoeopathic studies and medical relief;

(6) To control and administer all Homoeopathic charitable organizations aided by the Provincial Government; and

(7) To appoint sub-committees for carrying out the work of the Board.

We visualize that the organizations, the establishment of which has been recommended by us, will among other things ensure that :

(1) Only persons who have been trained in institutions recognized by the State and have passed an examination according to the approved procedure will be allowed to practise medicine in future. They may be awarded suitable degrees, diplomas or certificates;

(2) All other persons will be debarred by law to practise medicine or to assume degrees or titles, and practice of medicine by such persons would be made a cognizable offence;

(3) No medical practitioner would be allowed to advertise the efficacy of his medicine or treatment;

(4) Advertisements of medicines and bringing them to the notice of the public would be suitably controlled by law;

(5) No person including Registered Medical Practitioner would be allowed to do anything to create an impression that he was a "Specialist", except as might be provided by law;

(6) The purchase, sale, award or assumption of title, or advertisement of medicines by persons other than those authorized by law would be made a penal offence;

(7) Provision would be made by legislation for proper and regular inspection in a prescribed manner of establishments manufacturing medicines and other pharmaceutical products, pharmacies, dispensaries and individuals preparing and dispensing medicines; and

(8) Undesirable advertisements claiming the efficacy of patent and proprietary medicines and circula-

tion of objectionable literature, especially about sex matters, would be controlled by legislation.

We recommend for the consideration of the Government the establishment of one Central Model Homoeopathic teaching institution for the training of under-graduates and of post-graduates.

The two members of the Committee representing the regular system of medicine do not subscribe to the view that it is necessary to establish a Central Council of Homoeopathic Medicine and Provincial Boards of Homoeopathy with the constitution and functions as proposed above. They hold that the functions of the Councils and the Boards are traditionally and necessarily of two kinds, first, to prescribe and ensure a minimum standard of medical education and examination and, secondly, to maintain a Register of qualified practitioners and to control the conduct of medical practice by them. Their recommendations are stated below.

"So far as training in Homoeopathy is concerned, no arrangements exist in India and if they do here and there, they are totally inadequate and unsatisfactory. If Homoeopathy is to be taught in India it should, in our opinion, be done as in other countries such as the U.K. and the U.S.A., after the attainment of a basic qualification in scientific medical education recognized by the Medical Council of India or the Provincial Medical Councils, and arrangements should be made for it in the colleges of modern medical science and not in separate institutions and only those parts of Homoeopathy should be taught that have stood the test of science. The reason for this is obvious. Homoeopathy is admitted not to be a medical science by itself but only a system of therapy. The basic, pre-clinical and clinical sciences are the same in Homoeopathy as in the modern medical science, only the approach to therapy is different. For regulation of training and to prescribe and ensure a minimum standard of Homoeopathic education and examinations all that is rational and necessary is to establish a Faculty of Homoeopathy under the Medical Council of India and the Provincial Medical Councils on the same lines as various faculties under a University. The membership of such faculties should be open to only those who possess a medical qualification recognized by the Medical Council of India or the Provincial Medical Councils and are registered with it and are practitioners in Homoeopathy of not less than five years' standing, preferably with teaching experience in recognized Homoeopathic teaching institutions.

The control of Homoeopathic practice in the case of future entrants all of whom will possess a recognized basic qualification in scientific medicine as suggested by us will be exercised by the Medical Council of India or the Provincial Medical Councils with whom they

will be registered and it will neither be advisable nor necessary to constitute separate Councils and Boards. So far as the existing Homoeopathic practitioners are concerned, those who possess a qualification recognized by the Medical Council of India or a Provincial Medical Council should be registered. For the rest, Homoeopathic Councils should be established in the Provinces and these Councils should maintain "Lists" and not "Registers" of such of the existing Homoeopathic practitioners who come under this category and who have practised Homoeopathy as a profession for not less than 10 years and who pass a test to be prescribed by such Councils. This condition may be relaxed in the case of those who possess a qualification recognized by the West Bengal Government or a qualification from a foreign country entitling the holder to practise medicine in that country. Such practitioners should be called "Listed Homoeopathic Practitioners" and not "Registered Homoeopathic Practitioners". Their number will gradually decrease and will not be added to.

The constitution of the Provincial Homoeopathic Council should be as follows:

A President: The Surgeon-General or the Inspector-General of Civil Hospitals, as the case may be, during the first term of five years, after which the President will be elected by the Council from amongst its members, but the Surgeon-General or Inspector-General of Civil Hospitals will continue to be an ex-officio member of the Council.

Vice-President: He shall be elected from amongst the members of the Council and shall be a Registered or a Listed whole-time Homoeopathic practitioner.

Four members to be nominated by the Provincial or State Union Government for the first term of five years from amongst the Homoeopathic practitioners residing in the Province or State Union and thereafter to be elected from amongst the Listed Homoeopathic Practitioners in the Province or the State Union.

One member to be nominated by the Provincial or State Union Government for the first term of five years from amongst the members of the staff of the Homoeopathic medical institutions recognized by the Provincial or State Union Government and thereafter to be elected from amongst themselves by such members of the staff. Such members will not be eligible for election under any other Clause.

Two members to be nominated by the Provincial or State Union Government for the first term of five years and thereafter to be elected from amongst the Homoeopathic practitioners holding qualifications in scientific medicine recognized by the Medical Council of India or the Provincial Medical Council and residing in the Provinces or the State Union.

There will be a Registrar who will be a whole-time

paid officer of the Council and who will also act as Secretary to it.

Regarding the type of Homoeopathic training institutions to be set up in future and the control of Homoeopathy in general there has been sharp difference of opinion amongst our colleagues. Several suggestions were placed before us regarding the manner in which Homoeopathic training should be imparted, that is to say, the type of institutions which should undertake this task. We considered in detail the three types of institutions:

(1) Institutions which will be devoted only to the teaching of Homoeopathic medicine along with the basic, pre-clinical and clinical sciences;

(2) Institutions where the basic, pre-clinical and clinical sciences will be common both to students of Homoeopathy and of the regular system of medicine with the difference that students going in for Homoeopathy will not have to take up the courses in Materia Medica and Therapeutics.

In the case of students going in for Homoeopathy the courses in clinical sciences will have an orientation characteristic of Homoeopathy and the Homoeopathic Philosophy, Therapeutics, Materia Medica and Repertory studies will be specially provided for;

(3) Institutions which contemplate only training in Homoeopathy (this training has been described as post-graduate training in Homoeopathy in other parts of the report) for those who have obtained a basic qualification in the regular system of medicine.

The great majority of persons practising Homoeopathy are in favour of institutions which are devoted solely to Homoeopathic medical education. The establishment of post-graduate institutions for training regular medical graduates in Homoeopathy has also been supported by the great majority in addition to the last type of institutions. In other words, the majority of Homoeopathic practitioners have supported the third type in addition to the first type. Medical men belonging to the regular system and a small number of Homoeopathic practitioners have supported the third type of institutions. Three of the five Hon'ble Ministers of Health of the Provinces, who have expressed their views on this subject, consider the third type to be the most preferable. One Hon'ble Minister favoured separate institutions for training in Homoeopathy as an alternative; two were in favour of bifurcation into two channels, one leading to the regular system and the other to the Homoeopathic system of training in the basic and pre-clinical sciences was the same (i.e., the second type institution).

Two Hon'ble Ministers favoured separate institutions if the contents of the training were the same. One Hon'ble Minister expressed no view on the type of institutions but said that the two systems should

not be mixed together and they should be kept separate. The medical men representing the regular system of medicine including two members of our Committee think that the post-graduate course is the only rational one. They are, however, not opposed to the provision of training in Homoeopathy in medical colleges but then definitely do not consider purely Homoeopathic teaching institutions to be desirable. The main argument adduced by Homoeopaths including the Homoeopathic members of our Committee in support of purely Homoeopathic medical teaching institutions is the apathy and perhaps active antagonism which the practitioners of the regular system have, according to them, towards Homoeopathy. They think the other most important reason for their demanding separate institutions is the entirely distinctive approach of Homoeopathy in the realm of all therapeutics. They feel that Homoeopathy will not have a chance of developing Homoeopathic training and research unless they get institutions of their own. They, however, agree that in matters of research there should be co-operation between the workers of the two systems as also with pure scientists.

The two members of our Committee representing the regular system of medicine do not agree with the Homoeopathic members of the Committee that there should be separate Homoeopathic teaching institutions. Since all witnesses interested in Homoeopathy and all the Homoeopathic members of the Committee admit that training in the basic, pre-clinical and clinical sciences up to the Indian Universities' standard is an essential part of Homoeopathic education and the science of medicine like all other sciences is one and indivisible, in their view there cannot be two anatomies or two physiologies. The same applies to all the other pre-clinical and clinical sciences. These cannot be different in Homoeopathy which has been admitted to differ from the Modern System of Medicine in its approach to therapeutics only, being in itself only a system of pharmaco-therapeutics. It follows therefore from the above that it is neither scientific nor logical to multiply the institutions without any justification. They ask the question "Why have two institutions for what can be taught in one?" and emphasize that a poor country like India cannot afford to do that. In their opinion the proposal of having separate institutions would not only cause enormous waste of money, men, material and time, but would be unscientific. For the teaching of those subjects which are a peculiarity of Homoeopathy, all the other subjects being common to both the systems, satisfactory arrangements can be easily and most economically made in the colleges and hospitals of the Modern System of Medicine. The taunt of apathy going on to antagonism of the votaries of the Modern Scientific

System of Medicine against Homoeopathy can, in their opinion, be met best by quoting the late Lord Passmore: "If you meet what you call an unprejudiced person that means simply he has the same prejudices as yourself."

The Homoeopathic members of the Committee are of the opinion that for the evolution of Homoeopathy in its proper perspective, there must be separate institutions, preferably for under-graduates and post-graduates but they would under no circumstances recommend association of these institutions with the regular system of medicine in the form of chairs of Homoeopathy or otherwise. We, with the exception of two of our colleagues representing the regular system, however, recommend that the choice of under-graduate or of the post-graduate type of institutions should be left to the Provincial Boards in consultation with the Central Council which we have recommended to be set up.

## II. Training In Homoeopathy

We now come to a very important subject, namely, that regarding the nature and extent of training in the science and practice of Homoeopathy. In our earlier remarks we have left no room for doubt as regards the paramount necessity of proper scientific training of all persons who desire to practise Homoeopathy as a profession.

The subject of training has to be considered from various aspects, such as :

- (i) Nature of training and courses of study;
- (ii) Minimum qualifications for admission;
- (iii) Duration of the course;
- (iv) Minimum age for admission;
- (v) Degrees, diplomas, certificates, etc., to be given to successful candidates;
- (vi) Syllabi of courses and programme of studies;
- (vii) Nature and extent of the basic training in pre-clinical and clinical sciences and of what is known as "bed-side experience";
- (viii) Post-graduate training and research; and
- (ix) Establishment, administration and standardization of institutions for training.

Most of the above items will require careful consideration by the Central Council and the Provincial Boards if the recommendations we have made in this report are accepted by the Government. As regards the more important aspects of the training we have indicated below our views and made our recommendations.

We are of the opinion that there should be a single course, namely, a University course and the minimum qualification for admission to the course should be the same as has been laid down by the Indian Universities in respect of the regular system of medicine. That is, a candidate to be eligible for admission to the course should have passed either the Intermediate Science Examination of a recognized University or of a Pro-

vincial Board of Intermediate Studies with Chemistry, Physics and Biology as combination.

The college course should be of the same standard as has been laid down by the Indian Universities. The duration of the course of studies should, in our opinion, be five academic years. As regards age limit we hold the view that the minimum age at the time of admission should not be less than 16 years. The two members of our Committee representing the regular system of medicine think, however, that the age of admission should be not less than either 17 or 18 years.

The following subjects must be included in the syllabus, namely,

(i) Pre-clinical Subjects—Anatomy, Physiology, Biochemistry, Pharmacology, Homoeopathic Materia Medica, Bacteriology and Pathology;

(ii) Clinical Subjects—Medicine in General (which also includes Preventive Medicine and Hygiene), Surgery in general (which also includes eye, ear, nose and throat), Obstetrics, Gynaecology and Medical Jurisprudence;

(iii) Principles and Philosophy of Homoeopathy (Organon and Chronic Diseases), Homoeopathic Therapeutics, Repertory Study.

Regarding anaesthetics and antiseptics we were given to understand that these subjects were being taught in Homoeopathic colleges as part of surgical therapeutics. Toxicology was also being taught by them. They should, of course, be included in the courses of training.

Four Homoeopathic members of the Committee were of the opinion that there should be a Diploma Course in addition to the University Course as an interim measure. For this course also the qualifications for admission should be the same as for the course mentioned in Para. 180. The course will be for four years in all branches of medicine. The training in pre-clinical and clinical subjects would be on a lower level as compared to the course mentioned earlier.

Five Homoeopathic members of our Committee were of the opinion that Homoeopathic subjects should be taught from the very first year, while others thought that it should be taught from the second year. We recommend that the majority view stated above be accepted.

We recommend for the consideration of the Central Council the model syllabus for the Diploma Course given in Annexure IV prepared by one of the Homoeopathic members of the Committee.

Our recommendations regarding research are as follows :

Co-operation of Homoeopathic system of therapeutics with the progress of science, thus providing for the training and research in all relevant subjects, as, for example, biochemistry, physiology, immunology,

surgery, etc.;

The biochemical and clinical changes in the human organism, e.g., changes in the blood picture, etc., should be studied in relation to the "provings" of Homoeopathic drugs;

Animal experimentation with slides for teaching Homoeopathic pathology and materia medica;

The research on the action of potentized dilutions of Homoeopathic medicines in the light of modern scientific developments;

"Provings" of new drugs and "Reprovings" of older ones in the light of Modern Medical and Scientific Developments;

Statistical studies of different types of cases treated Homoeopathically;

Confirmatory animal experiments on new drugs;

Experiments from the Homoeopathic point of view on healthy human beings;

Study of the modifying effect of toxins and of substances in the body which modify the action of drugs;

To ascertain the rationale of Homoeopathic cure by drugs when the drug does not produce pathological changes;

Serological and other tests which should be evolved to find the indicated Homoeopathic remedy;

Further study from the statistical point of view of the Law of Similars and correlation with clinical findings under State control by laboratory studies and experiments on physiology, pathology and other relevant sciences; and

More extensive study of drugs isolated from plants or parts of plants, animal tissues, diseased products and the provings of such drugs.

We consider that facilities should be provided in recognized institutions for research on the above lines. The two members representing the regular system opined that facilities for research as outlined above should be provided in institutions meant for modern scientific research and not in separate Homoeopathic institutions.

We desire to reiterate and re-emphasize the necessity of competent statistical studies of patients suffering from specific diseases under the following conditions:

(a) A control group suffering from the same disease but without any medicine being administered, all adjuvant measures being adopted;

(b) A second control group in which medicine is administered in the Homoeopathic way, e.g., the globules or drops will be given but they will be without the Homoeopathic drug;

(c) A third control group in which Homoeopathic drugs will be administered; and

(d) A fourth group in which the patients will be treated on the lines of the scientific medicine known as the regular medical system.

We are definitely of the opinion that it is essential in the interest of the public that a person desiring to practise Homoeopathy as a profession must have what is called actual bed-side experience. In other words he must have an opportunity to acquire practical experience in hospitals under expert supervision. This condition must be satisfied by all those who may be recruited for service under the Government. This matter will have to be examined in detail by the Government in due course.

As regards Homoeopathic training institutions, we have already pointed out that those that exist at present to serve the cause of Homoeopathy are far from satisfactory. Apart from properly equipped schools and colleges for purposes of teaching and training in Homoeopathy there should be an adequate number of Homoeopathic hospitals and dispensaries in the country under the charge of Homoeopathic doctors with the qualifications we have laid down. Pharmacies and organizations concerned with the preparation and manufacture of Homoeopathic drugs in India should also be placed on a proper footing and the Government

should assume the authority to intervene in cases of lowering down of standards, adulteration of drugs, bad dispensing, etc. The education, qualifications and training of dispensers to be attached to dispensaries should be laid down.

We feel that when implementing this recommendation the Government should consider the necessity of providing facilities for training in Homoeopathy in order to give it a chance to evolve its own genius.

We consider that it is essential to give effect to all these recommendations we have made, not only for the sake of public health but also because the future of Homoeopathy, in common with that of other systems of medicine, depends to a large extent on public support and faith. Philanthropists and public-spirited men will then come forward to render financial assistance for the purpose of the establishment of hospitals and dispensaries. All persons concerned with or interested in Homoeopathy should, therefore, sincerely endeavour to create the necessary tradition for the all-round improvement of Homoeopathy in India.

## PATENTS ENQUIRY COMMITTEE, 1948—REPORT

New Delhi, Ministry of Industry and Supply, 1950. 217,IIp.

Chairman : Dr. Bakshi Tek Chand.

Members : Shri Gurnath Bewoor; Maj.-Gen. S. S. Sokhey; Shri S. M. Basu; Shri N. Barwell; Shri S. P. Sen; Dr. S. D. Mahant.

Secretary : Shri K. Rama Pai.

### APPOINTMENT

The Patents Enquiry Committee was constituted under the Ministry of Industry and Supply vide their Resolution No. 223-IRP (6)/48 dated October 1, 1948.

### TERMS OF REFERENCE

(i) To survey and report on the working of the Patent System in India;

(ii) To examine the existing Patent Legislation in India and to make recommendations for improving it, particularly with reference to the provisions concerned with the prevention of abuse of Patent Rights;

(iii) To consider whether any special restrictions should be imposed on Patents regarding food and medicine;

(iv) To suggest steps for ensuring effective publicity to the Patent System and to Patent Literature, particularly as regards Patents obtained by Indian inventors;

(v) To consider the necessity and feasibility of setting up a National Patents Trust;

(vi) To consider the desirability or otherwise of regulating the profession of patent agents;

(vii) To examine the working of the Patent Office and the services rendered by it to the public and make suitable recommendations for improvement; and

(viii) To report generally on any improvement that the Committee thinks fit to recommend for enabling the Indian Patent System to be more conducive to national interest, by encouraging invention and the commercial development and use of inventions.

### CONTENTS

Forwarding Letter; The Report; The Patent System: Its Origin and Development with particular reference to Patent Legislation in India; Resume of the existing Law of Patents in India; A Survey of the working of the Patent System in India; Defects in existing Law and Procedure; Recommendations for improving the Law of Patents in India; The Patent Office: Its origin, present set-up and recommendations for improving its organization and functions; Additional Recommendations; Summary of Recommendations; Appendix I to V; Annexure A to C.

## RECOMMENDATIONS

### Legislation

The existing Act (II of 1911) has in many respects become out of date and it is desirable to replace it by a new Act. In framing the new Act the following points be kept in view:

The Act should contain a clear and specific provision as to what is patentable.

"Invention" should be given a wider meaning than in the present Act, so as to include inventions capable of application for industrial uses, even if they are concerned with processes only and do not result in the manufacture of any article.

Substances prepared or produced by chemical processes, or intended for food or medicine, should not be patentable, except when made by the invented processes or their obvious equivalents.

Inventions of which the primary or intended use would be contrary to law or morality should not be patentable.

Novelty should be determined on the basis of prior knowledge or prior uses in India.

The expression "true and first inventor" be defined so as to include not only the actual inventor but also the importer or the communicatee of a new invention from abroad.

Provision be made in the Act that where the "true and first inventor" claims to be the actual inventor of the invention, his name should be mentioned as such on the patent specification as well as the letters patent.

The Act should contain a specific provision requiring the Controller to make a search for "novelty" in respect of every application for patent.

The Act should contain clear provision that:

(a) In the case of a patented invention of any article, the patentee shall have the exclusive right to make, use and/or sell such article or to authorize others to do so:

(b) In the case of a patented invention of a process, the patentee shall have the exclusive right to use such process and to use and/or sell articles made by such process or to authorize others to do so; and

(c) The exclusive right conferred by any patent shall be subject to rights already subsisting in respect of any other patent.

Provision should be made in the Act declaring that the Government would, apart from the special privileges provided in Section 21 of the existing Act, have the same rights and privileges as a private person.

Section 21 should be so modified as to limit its applicability to use or exercise of the patent for Government purpose by the Central Government only.

The Act should contain a provision on the lines of Section 66 of the British Act permitting the institution of a "declaratory suit" by any person who has reasonable cause to doubt whether the use of a process, or the making, using or selling of any article would constitute an infringement of a claim of any particular patent.

The requirement in the present Act that the "year" be marked on a patented article, in addition to the serial number of the patent, be dispensed with.

### The Patent Office

The Patent Office requires to be reorganized, and its immediate needs are better and more suitable accommodation and additional supervisory staff.

The office should have five Divisions as under:

(a) Engineering Division, dealing with patent applications for inventions in the field of Mechanical, Electrical, Communication, Civil and Textile Engineering. This Division, will be in charge of a Deputy Controller (Engineering).

(b) Chemistry Division dealing with patent applications for inventions in other fields, including Chemical and Metallurgical industries. This Division will be in charge of a Deputy Controller (Chemistry).

(c) Public Relations Division under a Public Relations Officer in charge of Publications Section, Printing and Sales Section, Publicity Section, Search Section, Documents, Inspection and Copying Section, Enquiries Section and the Library.

(d) Establishment Division having Budget, Accounts and other Sections under an Administrative Officer.

(e) Policy and Special Proceedings Division, directly under the Controller.

Branch Offices should be established at Bombay, Madras and Delhi, and if at any time the Head Office is shifted from Calcutta, there should be a Branch Office at Calcutta also.

The publications of the Patent Office should be improved, both qualitatively and quantitatively. It is necessary that the Patent Office should publish a weekly Official Journal containing its notifications.

"Classified Abridgements" of published specifications are incomplete and out of date. They should be completed without delay and maintained up-to-date in future.

# INDIAN STATES FINANCES ENQUIRY COMMITTEE, 1948—REPORT

New Delhi, Ministry of States, 1949. 138p.

Chairman : Shri V. T. Krishnamaehari.

Members : Shri S. K. Patil; Shri N. Dandekar.

Secretary : Shri G. Swaminathan.

## APPOINTMENT

The Indian States Finances Enquiry Committee was constituted under the Ministry of States vide their Resolution No. F. 60-1B/48 dated October 22, 1948.

## TERMS OF REFERENCE

To examine and report upon :

(i) the present structure of Public Finance in Indian States and Unions of States;

(ii) the desirability and feasibility of integrating Federal Finance in Indian States and Unions of States with that of the rest of India, to the end that a uniform system of Federal Finance may be established throughout the Dominion of India;

(iii) whether, and if so, the extent to which the process of so integrating Federal Finance in the Indian States and Unions with that of the rest of India should be gradual and the manner in which it should be brought about; and the machinery required for this purpose, especially as regards the legislative ground work and the administrative organization necessary for the imposition, assessment and collection of Federal Taxes;

(iv) the results of such a policy of integrating Federal Finance upon the finances of Indian States and Unions and the consequential financial adjustments and relations which should subsist between the Governments of the Indian States and Unions on the one hand and the Government of India on the other;

(v) the measures which the Committee may consider necessary and/or desirable for revising, in the light of present-day conditions and standards, and having regard to the requirements of modern administration, the structure of Provincial Finance and, in particular, the levels and sources of Provincial Revenues in Indian States and Unions of States;

(vi) any other consequential and/or cognate matters which the Committee may consider as arising out of the foregoing terms of reference.

## CONTENTS

Section I: Preliminary; Section II: Financial Relationship between the Centre and the States—Constitutional and Economic Position; Section III: Financial Integration—General Principles followed by the Committee; Section IV: Summary of Recommendations; Annexure: Section I: Introductory; Section II: Gradual

Raising of State Rates of Income-tax; Section III: Technical Matters Relating to Income-tax; Section IV: Other Taxes on Income and Taxes on Capital, etc.; Section V: Summary; Appendix I and II.

## RECOMMENDATIONS

The new relationship established between States and the rest of India based on the "Objectives" Resolution demands that the Central Government should have the same range of powers and authority over Provinces and States alike and function in them in the same manner through its own agency and derive the same revenues from them. Federal Financial Integration inevitably follows from this.

Financial integration is necessary and desirable on broad economic considerations as well.

When federal financial integration comes into effect, all "Central" Revenues and all "Federal" Services (including Railways, Posts and Telegraphs, Telephones and Currency and Coinage), together with the administration of the Departments concerned, should be taken over by the Central Government. Accounting and Audit should also be taken over, if possible.

Except in one or two States, internal Customs duties can be totally abolished in all States simultaneously with federal financial integration; the loss of revenue will be covered by the direct and indirect gains resulting from financial integration together with proceeds from Sales Tax. In the excepted cases the abolition of these duties should be gradual. No compensation should be paid in any case.

As regards Armed Forces, financial integration should affect only the regular "Indian States Forces", properly so called; even there, it need not involve any change in the present administrative arrangements concerning them.

The question whether Privy Purses should be a "Federal" or "Provincial" liability is left upon, and financial integration schemes have been worked out on the assumption that the liability will continue with the States; but the modifications required, in the event of this liability being undertaken by the Centre, have been indicated.

Integration of federal finance in States involves also the allocation of assets and liabilities of States between them and the Centre on a "functional" basis.

The integration of federal finances in States need not be gradual; but provision should be made for a degree of gradualness in the full effect of its impact in certain directions.

No compensation should be paid for any "federal" assets (such as Railways) or revenues (such as Customs) which would pass to the Centre, or for any "rights and immunities" which would be extinguished, as a result of federal financial integration; but provision should be made for the prevention of dislocation of finances of States that may be caused by the loss to them of these sources of revenue in the manner indicated; also, public debt and other liabilities should be shared.

Financial integration schemes for individual States have been evolved upon the basis of principles which take account of their varying circumstances, the need to avoid any sudden dislocation of their finances, and the necessity to provide for smooth transition to the full "provincial" pattern in the eleventh year, or the sixteenth year, as may be provided under Article 258 of the (Draft) Constitution of India.

The detailed integration schemes for individual States, except Hyderabad, are in the Committee's two Interim Reports and in Part II of this Report, that for Hyderabad, will follow in a Supplementary Report. These schemes are workable. They are also equitable, both to the States and to the Centre. Their legal basis would be as "agreements" entered into with States under Article 258 of the (Draft) Constitution of India.

A Committee should be appointed to watch the working of these schemes.

Income-tax should be introduced in all States (including those where there is none at present) at rates adjusted to local conditions. Its assessment and collection should be by officers of the Central Government under the Indian Income-tax Act.

The existing distribution to Provinces of the proceeds from Income-tax needs revision; it will need further revision when federal financial integration takes effect in the States. In this respect no distinction should be made between Provinces and States.

Except as regards the "Anchal" post in the Travancore-Cochin Union (for which special arrangements are needed) the regular "Indian States Forces", and some miscellaneous "federal" Service Departments, the administration of all other "federal" subjects in States should be taken over by the Centre simultaneously with the integration of federal finances. Consideration of the problems arising out of this recommendation—staff, training, organization, etc.—should receive immediate attention.

Financial integration should be effective from the April 1, 1950, the necessary "agreements" under Article 258 being executed before that date, after the new Constitution has been enacted.

It should be announced that upon financial integration, States and Provinces will be treated alike in the matter of all grants, "subsidies", and other forms of financial and technical assistance from the Centre.

During a transitional period, the general revenues of the Centre should receive a subvention from the Railway Budget.

Integration of federal finances in States will have most important and far-reaching consequences; there is need, therefore, for caution in proceeding with such matters as prohibition, abolition of Jagirs, etc.

A Deputy Auditor-General for States should be immediately appointed with certain special responsibilities between now and the date of financial integration.

## INDIAN STATES FINANCES ENQUIRY COMMITTEE—BARODA, 1948—REPORT—FIRST INTERIM

New Delhi, Ministry of States, 1949. 48p.

Chairman : Shri V. T. Krishnamachari.

Members : Shri S. K. Patil; Shri N. Dandekar.

Secretary : Shri G. Swaminathan.

### APPOINTMENT

The Indian States Finances Enquiry Committee—Baroda was constituted under the Ministry of States vide their Resolution No. F-60-IB/48 dated October 22, 1948.

### TERMS OF REFERENCE

To examine and report upon:

(i) the present structure of Public Finance in Indian States and Unions of States;

(ii) the desirability and feasibility of integrating Federal Finance in Indian States and Unions of States with that of the rest of India, to the end that a uniform system of Federal Finance may be established throughout the Dominion of India;

(iii) whether, and if so, the extent to which the process of so integrating Federal Finance in the Indian States and Unions with that of the rest of India should be gradual and the manner in which it should be brought about, and the machinery required for this purpose, especially as regards the legislative groundwork and the administrative organization necessary for the imposition, assessment and collection of Federal Taxes;



(iv) the results of such a policy of integrating Federal Finance upon the finances of Indian States and Unions and the consequential financial adjustments and relations which should subsist between the Governments of the Indian States and Unions on the one hand and the Government of India on the other;

(v) the measures which the Committee may consider necessary and/or desirable for revising, in the light of present-day conditions and standards, and having regard to the requirements of modern administration, the structure of Provincial Finance and, in particular, the levels and sources of Provincial Revenues in Indian States and Unions of States;

(vi) any other consequential and/or cognate matters which the Committee may consider as arising out of the foregoing Terms of Reference.

## CONTENTS

Introductory; Analysis of the Problem; General Principles; Integration of "Central" Revenues and Expenditure; Allocation of Assets and Liabilities; Summary; Annexures.

## RECOMMENDATIONS

### Allocation Of Departments, Assets, Liabilities, Etc.

As from the date of the merger the Central Government will take over all "Central" sources of revenue and the administration of all Departments concerned with "Central" functions, together with all connected unproductive capital assets, current liabilities, outstandings, refunds, etc.

Similarly, all specific productive capital assets connected with "Central" functions (e.g., railways and telephones), together with any debt, cash balances, liabilities and outstandings specifically relating to them, should also be taken over by the Government of India.

"Current" liabilities and funded obligations of the State must be allocated between the Central Government and the Bombay Government on a "functional" basis, coupled with the principle of public convenience. The allocation of such liabilities should be accompanied, so far as may be possible, by an equivalent allocation of Current (Liquid) Assets. There will then remain a net surplus of Liquid Assets or of current liabilities, to be apportioned between the two successor Governments.

### Financial (Revenue) Adjustments Required Between The Central Government And The Government Of Bombay

We recommend that the net revenue gap in the finances of Baroda (viz., Rs. 126 lakhs per annum), arising from the loss of "Central" revenues and taxes, as reduced by the savings in respect of "Central" expenditure, after Federal Financial Integration, should be made good as follows:

(a) by the Bombay Government assuming responsibility, with effect from 1950-51, for Rs. 50 lakhs per annum, i.e., 40% of Rs. 126 lakhs;

(b) by the Central Government assuming responsibility for, and guaranteeing to pay to the Bombay Government as from the date of the merger, a sum of Rs. 126 lakhs per annum up to March 31, 1950, and thereafter a sum of Rs. 76 lakhs per annum for a period of 10 years, in the shape of:

(i) the share of divisible Income-tax and other divisible federal taxes, if any, which will accrue to the Bombay Government on account of the addition of the Baroda territory to the Provinces; and

(ii) an ad-hoc revenue subsidy to the extent to which (i) should fall short of the guaranteed amount.

In our considered opinion, the Bombay Government should have no difficulty in bearing a share of the net revenue gap as suggested above.

### Ruler's Immunities And Privy Purse

Steps should be taken to secure, by necessary executive orders, statutory notifications and/or amendments (as may be appropriate), the continuance of the personal immunities of the Ruler in the matter of taxation, etc.

With regard to the Privy Purse, our proposals have been evolved on the basis that it will not be a "Central" liability. If, however, the Privy Purse should, for any reason, be made payable out of Central Revenues, the net "Central" revenue gap of Baroda will be reduced by that amount; we have suggested consequential changes in the amount thereof to be borne by Bombay and the amount to be guaranteed by the Central Government, respectively.

### Assets and Liabilities

"Unproductive" specific capital assets pertaining to "Central" functions will be taken over by the Government of India without valuation; the rest of such assets will go to the Government of Bombay.

"Productive" capital assets of a "Central" nature will similarly be taken over by the Government of India; their book value, less specific debt attached to the assets, amounted to Rs. 624.17 lakhs on July 31, 1948.

"Productive" capital assets of a "Provincial" nature will vest in the Bombay Government; these were valued in the books at Rs. 192.33 lakhs on the same date.

In view of the complexities and importance of the issues arising out of the merger, and the large amount of detail to be attended to purely from the accountancy and financial points of view, it would be desirable, if possible, to invite the Auditor-General of India to appoint an Officer on Special Duty to assist in the implementation of the decisions which may be taken on the various suggestions and recommendations made by us.

# INDIAN STATES FINANCES ENQUIRY COMMITTEE— TRAVANCORE AND COCHIN, 1948—REPORT—SECOND INTERIM

New Delhi, Ministry of States, 1949. 61p.

Chairman : Shri V. T. Krishnamachari  
Members : Shri N. Dandekar; Shri S. K. Patil.  
Secretary : Shri G. Swaminathan.

## APPOINTMENT

The Indian States Finances Enquiry Committee—Travancore & Cochin was constituted under the Ministry of States vide their Resolution No. F. 60-IB/48 dated October 22, 1948.

## TERMS OF REFERENCE

To examine and report upon:

(i) The desirability and feasibility of integrating Federal Finance in Indian States and Unions of States with that of the rest of India, to the end that a uniform system of Federal Finance may be established throughout the Dominion of India;

(ii) Whether, and if so, the extent to which the process of so integrating Federal Finance in the Indian States and Unions with that of the rest of India should be gradual and the manner in which it should be brought about, and the machinery required for this purpose, especially as regards the legislative groundwork and the administrative organization necessary for the imposition, assessment and collection of Federal Taxes;

(iii) The results of such a policy of integrating Federal Finance upon the finances of Indian States and Unions and the consequential financial adjustments and relations which should subsist between the Governments of the Indian States and Unions on the one hand and the Government of India on the other;

(iv) Any other consequential and/or cognate matters which the Committee may consider as arising out of the foregoing Terms of Reference.

## CONTENTS

General Principles; Basic Requirements of Federal Financial Integration; The "Revenue Gap" arising out of Federal Financial Integration; Certain Specific Matters relating to "Central" Revenue and Expenditure Departments; Assets and Liabilities; Summary; Annexures.

## RECOMMENDATIONS

### General Line Of Approach

In our view no question of paying any "compensation" can arise; but a balanced scheme of financial

adjustments over a transitional period will be necessary for avoiding financial dislocation.

### Constitutional Requirements

We recommend that:

(i) federal financial integration should be preceded by complete "accession" on all subjects in Lists I and III including Finance and Taxation Matters;

(ii) transitional financial adjustments should terminate after a maximum period of 10 or 15 years as may be provided by Article 258 of the Draft Constitution;

(iii) all Customs duties on internal trade, i.e., on trade with the rest of India should be abolished as soon as the integration of the Federal Finances of these States becomes effective.

### Date Of Federal Financial Integration

Ordinarily, Federal Financial Integration should be effective from April 1, 1950, but the State Governments would be willing to make it effective from August 17, 1949, under the present Government of India Act. We recommend accordingly.

### Revenue Gap Arising Out Of Federal Financial Integration

We recommend that:

(a) the loss resulting from the immediate abolition of Internal Customs Duties of Travancore must be borne by the State Government;

(b) as regards the residual net "Central" Revenue Gap of the two States taken together (Rs. 230 lakhs), there should be a guaranteed reimbursement by the Central Government to the following extent during a transitional period:

From the date of Federal Financial Integration Rs. 230 lakhs per annum to March 31, 1955.

From April 1, 1955, to March 31, 1960: the residual net Revenue Gap of Travancore in full (i.e., Rs. 127 lakhs) plus a gradually reducing part of the Cochin net Revenue Gap of Rs. 103 lakhs, so as to work it down to 60% thereof in 1959-60.

The amount payable in 1959-60 will continue to be paid as a guaranteed reimbursement for a further period of five years, if the Constituent Assembly should accept an extension of the transitional period to 15 years (under Article 258).

The above guarantee should be implemented by the Central Government by paying to the States:

(a) their share of Income-tax and other divisible Federal taxes, computed on the same basis and principles as are applicable to Provinces; and

(b) an additional grant-in-aid to the extent to which the share of divisible taxes under (a) should fall short of the total guaranteed amount.

If in any year the State Governments' share of divisible Federal taxes should exceed the guaranteed amount, they will be entitled to the larger sum.

The State Governments should be entitled to all forms of financial and other assistance from the Central Government in exactly the same way as Provinces, in addition to the amounts guaranteed as above.

#### Privy Purse

Our proposals have been evolved on the basis that "Privy Purse" will not be a Central liability. If, however, "Privy Purse" should, for any reason, be made payable out of Central Revenues, our computations of the net Revenue Gap resulting from Federal Financial Integration and of the amounts guaranteed during the

transition period will require consequential revision.

#### Assets And Liabilities

The Central Government should take over unproductive capital assets connected with Central functions or Revenues, by inventory without valuation. The Travancore and Cochin States will retain the rest of the unproductive capital assets.

"Productive" Capital assets connected with "Central" functions should similarly be taken over by the Government of India along with the "specific debt" associated with such assets. The net book value of such assets as at the end of 1123 M.E. was Rs. 118 lakhs and Rs. 48 lakhs in the Travancore and Cochin States, respectively.

Productive Capital assets connected with "Provincial" functions along with the specific debt attached thereto should be retained by the State Governments. Their value on the date mentioned was Rs. 609 lakhs and Rs. 144 lakhs in Travancore and Cochin respectively.

## INDIAN UNIVERSITY EDUCATION COMMISSION, 1948-49—REPORT

Delhi, Manager of Publications, 1949. 1,356p. Charts. 2 Vols.

Chairman : Dr. S. Radhakrishnan.

Members : Dr. Tara Chand; Dr. Sir James F. Daff; Dr. Zakir Husain; Dr. Arthur E. Morgan; Dr. A. Lakshmanaswami Mudaliar; Dr. Meghnad Saha; Dr. Karm Narayan Bahl; Dr. John J. Tigert.

Secretary : Shri Nirmal Kumar Sidhanta.

#### APPOINTMENT

The Commission was appointed under a Resolution of the Government of India, Ministry of Education, No. 55-5/47-D/3 dated November 4, 1948, to report on Indian University Education and suggest improvements and extensions that may be desirable to suit present and future requirements of the country.

#### TERMS OF REFERENCE

To consider and make recommendations in regard to:

(i) The aims and objects of University Education and research in India.

(ii) The changes considered necessary and desirable in the Constitution, Control, Functions and Jurisdic-

tion of Universities in India and their relations with Governments, Central and Provincial.

(iii) The Finance of Universities.

(iv) The maintenance of the highest standards of teaching and examination in the Universities and colleges under their control.

(v) The course of study in the Universities with special reference to the maintenance of a sound balance between the Humanities and Sciences and between Pure Science and Technological Training and the duration of such courses.

(vi) The standards of admission to University courses of study with reference to the desirability of an independent University Entrance Examination and the avoidance of unfair discriminations which militate against Fundamental Right 23(2).

(vii) The medium of instruction in the Universities.

(viii) The provision for advanced study in Indian Culture, History, Literature, Languages, Philosophy and Fine Arts:

(ix) The need for more Universities on a regional or other basis.

(x) The organization of advanced research in all

branches of knowledge in the Universities and institutes of higher research in a well-coordinated fashion avoiding waste of efforts and resources.

(xi) Religious instruction in the Universities.

(xii) The special problems of Banaras Hindu University, Aligarh Muslim University, Delhi University and other institutions of an all-India character.

(xiii) The qualifications, conditions of service, salaries, privileges and functions of teachers and the encouragement of original research by teachers.

(xiv) The discipline of students, hostels and the organization of tutorial work and any other matter which is germane and essential to a complete and comprehensive enquiry into all aspects of University education and advanced research in India.

## CONTENTS

Introduction—Appointment and Procedure of the Commission; Historical Retrospect; The Aims of University Education; Teaching Staff; Universities and Colleges; Standard of Teaching; Courses of Study: Arts and Sciences; Post-graduate Training and Research; Arts and Sciences; Professional Education—Introduction; (a) Agriculture, (b) Commerce, (c) Education, (d) Engineering and Technology, (e) Law, (f) Medicine, (g) New Profession; Religious Education; Medium of Instruction; Examinations; Students, their Activities and Welfare; Women's Education; Constitution and Control; Finance; Banaras, Aligarh and Delhi Universities; Other Universities; New Universities; Rural Universities; Conclusion; Appendices from A to R; Graphs.

## RECOMMENDATIONS

1. That the ordinary amenities and decencies of life should be provided for women in colleges originally planned for men, but in which women are being admitted in increasing numbers.

2. That there should be no curtailment in educational opportunities for women, but rather a great increase.

3. That there should be intelligent educational guidance, by qualified men and women, to help women to get a clearer view of their real educational interest, to the end that they shall not try to imitate men, but shall desire as good an education as men get. Women's and men's education should have many elements in common, but should not in general be identical in all respects, as is usually the case today.

4. That women students in general should be helped to see their normal places in a normal society, both as citizens and as women and to prepare for it, and college programmes should be so designed that it will be possible for them to do so.

5. That through educational counsel and by example the prevailing prejudice against study of Home Economics and Home Management should be overcome.

6. That standards of courtesy and social responsibility should be emphasized on the part of men in mixed colleges.

7. That where new colleges are established to serve both men and women students, they should be truly co-educational institutions, with as much thought and consideration given to the life needs of women as to those of men. Except as such colleges come into existence there are no valid criteria for comparing segregated education with co-education.

8. That women teachers should be paid the same salaries as men teachers for equal work.

## Separate Schools Between The Age Of 13 And 18

The University Education Commission was of the view that there seems to be a definite preponderance of opinion that from the thirteenth or fourteenth year of age until about the eighteenth, separate schools for boys and girls are desirable. The Commission felt that it was not wholly clear whether this opinion was chiefly based on custom or upon experience. The Commission cited the following:

One of India's prominent educators states: "The modern trend is for equality of opportunity for women in all spheres, and it cannot be arrested. There should be no distinctions of any kind of women from men, after the matriculation stage."

On the other hand many, probably a majority of those who commented, favour separate colleges for women when that is feasible though not to the extent of denying women educational opportunity by excluding them from existing colleges organized primarily for men.

Some of the arguments given are that a woman cannot develop her personality in a men's college; that there is no need for women to undergo the nervous strain of examinations; that women's education should be more in keeping with the temperament and needs of women as wives and mothers; and that overcrowding is more serious for women than for men. "A pleasing feature of colleges for women has been the intimate relations of students and teachers." Some of the arguments have greater weight in the absence of truly co-educational colleges where the needs of men and women would be given equal weight in designing the programme.

## Co-education At The College Level

As the age of entry to degree colleges would, on our recommendation, be approximately 18, college education may be co-educational as it is at present in many

medical colleges. Separate institutions at this level would demand an unjustified increase in expense. To maintain separate institutions for men and women side by side, duplicating equipment, even when it is very inadequate, would be an undue tax upon limited financial resources. Separate women's colleges commonly have poorer buildings, poorer equipment, and less able teachers. So far as possible, co-educational institutions should be encouraged at the degree level.

#### Scales For University Teachers

The University Education Commission recommended:

1. That the importance of a teacher and his responsibility be recognized.
2. That conditions in universities which are suffering from lack of finances and consequent demoralization be greatly improved.
3. That there be four classes of teachers—Professors, Readers, Lecturers and Instructors.
4. That promotions from one category to another be solely on grounds of merit.
5. That each University should have some Research Fellows.
6. That the scales of salaries for University teachers be:

Professors	Rs. 900-50-1,350
Readers	Rs. 600-30-900
Lecturers	Rs. 300-25-600
Instructors of	
Fellows	Rs. 250
Research Fellows	Rs. 250-25-500

7. That the scales of salaries for affiliated colleges with no post-graduate classes be :

Lecturers	Rs. 200-15-320-20-400
Senior posts	Rs. 400-25-600
(two in each college)	
Principals	Rs. 600-45-800

That for colleges which have post-graduate classes, the grades be:

Lecturers	Rs. 200-15-310-20-400-25-500
Senior Posts	Rs. 500-25-800
(two in each college)	
Principals	Rs. 800-40-1000

8. That care be taken for the selection of proper teachers.

9. That the proportion of junior posts (Lecturers and Instructors) to senior ones (Professors and Readers) be roughly 2.

10. That the age of retirement be ordinarily 60 years but extension be allowed up to 64 in the case of a Professor.

11. That conditions regarding Provident Fund, Leave and Hours of Work be definitely laid down.

#### Finance

The Commission recommended:

1. That the State should recognize its responsibility for the financing of higher education.
2. That the aid to private colleges should be for buildings and equipment as also for the recurring expenditure, the latter to be on a uniform basis, say, half of the present teachers' salaries and one-third of other approved expenditure.
3. That steps be taken to amend Income-tax laws to encourage donations for educational purposes.
4. That additional grants be made to colleges and Universities in order to enable them to give effect to our recommendations.
5. That the Government should contribute an additional annual amount of about Rs. 10 crores for the development of University education during the next quinquennium.
6. That the University Grants Commission be set up for allocating grants.

# 1949

## COMMITTEE ON THE REORGANIZATION OF THE MACHINERY OF GOVERNMENT, 1949—REPORT

New Delhi, Reorganization Secretariat, 1949. 59p.

One-man Committee : Shri Gopalaswami Ayyangar.

### APPOINTMENT

The Reorganization of the Machinery of Government was constituted under the Reorganization Secretariat in 1949.

### TERMS OF REFERENCE

- (i) To present a basic plan for the approval of the Cabinet; and
- (ii) Outline the general principles governing the formulation of a detailed scheme of reorganization.

### CONTENTS

Pictorial Chart; Summary of Conclusions and Recommendations; Introductory; Basic Plan; Ministries and Departments; Bureaus and Central Administrative Offices; Council of Ministers and Cabinet Organization;

Reorganization Machinery and Procedure; Organization and Methods of Financial Control.

### RECOMMENDATIONS

Need for changes in the set-up.

Insufficiency of mere changes in the set-up. Improvement can and should be brought about through the combined effect of (a) Organizational changes in the existing set-up of the machinery of the Government, (b) Improvements in the methods of transaction of governmental business (Administrative and Financial).

There should be distinction between Basic Plan and Detailed Schemes.

The main changes involved in the Basic Plan of Reorganization are divisible under four heads as shown below:

- (i) The Central Secretariat should be divided into 37 primary units of organization consisting of 28

Departments, 8 Central Administrative Offices and a Cabinet Secretariat.

(ii) The distinction should be drawn between a Department as an Organizational Unit and a Ministry as an Organizational Unit. 28 Departments should be accommodated within 20 Ministries.

(iii) A new grouping of Ministries responsible for economic and social services should be established under the name of bureaus. There should be a Bureau of National Resources and Agriculture, a Bureau of Industry and Commerce, a Bureau of Transport and Communications and a Bureau of Labour and Social Services.

(iv) The Cabinet Organization should be strengthened by the establishment on a permanent basis of certain Standing Committees of Cabinet, in addition to Ad Hoc Committees set up from time to time.

A Department should be identified with a Secretary's charge and a Ministry with a Minister's charge and this be the basis of distinction between Ministries and Departments.

Each Department should constitute a clearly manageable charge for one Secretary, the responsibility of the Secretary as the Head of the Department should be complete and undivided. Each Department should be manageable and substantially homogeneous in respect of functions entrusted to it.

The best set-up of the organization be as Secretary or Head of a Department; Deputy Secretary or Head of the Division; Under-Secretary or Head of a Branch; Section Officer; Assistant. There should not be any Additional Secretary.

The inter-position of an officer between a Secretary and a Deputy Secretary is not a satisfactory arrangement as this would give rise to serious organizational defects.

With the increase in the number of Departments appointment of Joint Secretaries would become necessary in some Departments. In that case the work assigned to Joint Secretaries should be clearly localized in separate wings within a Department and that there should be maximum measure of independent functioning and responsibility invested in them.

A Secretariat Organization consisting of three Deputy Secretaries each in charge of one Secretariat Division should be regarded as the upper limit of the manageable charge of a single Secretary unassisted by a Joint Secretary. A similar organization with five Deputy Secretaries and five Secretariat Divisions with a "Wing" located in it would be the ordinary upper limit of the manageable charge of one Secretary assisted by a Joint Secretary.

The internal organization of the Secretariat Division should follow the pattern prescribed in the Central Secretariat Service (Reorganization) Scheme. The

"Superintendent" and "Assistant Superintendent" in that scheme may preferably be referred to by a common designation, namely, Section Officer.

The proposed reorganization should be effected in such a manner as to involve no increase either in the number of the highest paid posts or their cost.

The Ministries and Departments dealing with economic and social services should be grouped together in four bureaus for purposes of securing co-ordination of policy and planning. The establishment of a Common Financial Advisory Organization and a Common Central Administrative Officer for the efficient performance of common services and administrative co-ordination is recommended.

The four Ministries of Finance, External Affairs, Home Affairs and Defence will continue to be unitary Minister's charges.

There should continue to be three categories of members of the Council of Ministers.

A considerable degree of flexibility is necessary regarding the fixation of numbers of Ministers.

There should be a proper division of labour and effective delegation within the Cabinet. For this purpose Committees of Cabinet are necessary. A clear distinction should be drawn between Standing Committees and Ad Hoc Committees of the Cabinet.

Four Standing Committees of Cabinet be, namely, the Defence Committee of Cabinet, the Economic Committee of Cabinet, the Administrative Organization Committee of Cabinet and the Parliamentary and Legal Affairs Committee of Cabinet. Their functions, etc., have been specified.

Provision should be made for a Cabinet Minister without portfolio and where necessary more than one.

The Cabinet Secretariat to have an Economic Wing.

The Reorganization Secretariat should complete the preparation of schemes of establishment of Ministries, Departments, etc.

The Administrative Organization Committee of Cabinet should be set up forthwith and authority should be conferred on it to give binding decisions on points of disagreement, if any, which may arise.

The process of bringing about necessary changes in organization will not be completed without taking the following steps:

Detailed schemes of organization of services as distinguished from establishment will be necessary.

The preparation of work relating to the revision of Rules of Business should be undertaken.

A manual of Office Procedure should be prepared.

The Civil Service Act should be passed, and a self-contained Code of Civil Service Regulations be promulgated.

The responsibility for securing that all these measures are undertaken be vested with the proposed "Organization and Methods Division" of the Home Department of the Ministry of Home Affairs on the lines similar to agencies in the U.K. and the U.S.A.

Improvement and administrative organization and

methods should go hand in hand with improvement of organization and methods of financial control. There should be really effective safeguards against extravagance. Ultimate responsibility for both economy and efficiency must be placed squarely on the shoulders of Administrative Departments.

## **SPECIAL POLICE ESTABLISHMENT ENQUIRY COMMITTEE, 1949—REPORT**

New Delhi, Ministry of Home Affairs, 1952. 28p.

**Chairman :** Dr. Bakshi Tek Chand.

**Members :** Shri Mahavir Tyagi; Shri L. Krishna-swami Bharati; Shri S. K. Patil; Pt. Lakshmi Kanta Maitra; Pt. Thakur Das Bhargava. (Shri Mahavir Tyagi has expressed his inability to append his signatures as he felt that by reason of his official position his signatures might be taken to commit the Government.)

### **APPOINTMENT**

The Special Police Establishment Enquiry Committee was constituted under the Ministry of Home Affairs vide their letter No. 38/9/48-S.P.E. dated March 4, 1949.

### **TERMS OF REFERENCE**

(i) To review the working of the Prevention of Corruption Act, 1947, and to make recommendations with regard to any improvement that may be considered necessary in the law as well as in regard to the machinery for enforcing it;

(ii) To assess the amount of success achieved by the Special Police Establishment in combating corruption and to make recommendations regarding the continuance, strengthening, curtailment or abolition of the Special Police Establishment.

### **CONTENTS**

Composition and Terms of Reference; Method of work of the Committee; Special Police Establishment and its method of work; Amendment of Laws; Indian Penal Code, 1860, Criminal Procedure Code, 1898, Delhi Special Police Establishment Act, 1946, Indian Railways Act, 1890, Prevention of Corruption Act,

1947; Administrative Matters; Enforcement Directorate and the S.P.E., Quick disposal of departmental proceedings in cases investigated by the S.P.E; Continuance of the S.P.E. Organization; Summary of Recommendations; Appendix A to E.

### **RECOMMENDATIONS**

#### **Indian Penal Code, 1860**

The offering of illegal gratification should be made a substantive offence since a person who voluntarily offers a bribe to a public servant is, in our opinion, morally as guilty as the public servant who accepts the bribe.

The maximum punishment for an offence under Section 165 I.P.C. (acceptance of a "valuable thing" by a public servant) is now simple imprisonment for 2 years or fine or both. This should be changed and should be the same as the maximum punishment for an offence under Section 161 I.P.C. (acceptance of illegal gratification by a public servant), namely, imprisonment of either description for 3 years or fine or both.

#### **Criminal Procedure Code, 1898**

Section 337(1) Cr.P.C. should be so amended as to permit the court to tender pardon to an approver in cases under Sections 161 and 165 I.P.C. and the Section suggested in item 1 above. This amendment should, however, have a limited life of two years in the first instance, and during this time the effect of the amendment may be watched.

Sub-Section (2-A) of Section 337 Cr.P.C. should be amended so as to provide for the trial of cases (where a pardon has been tendered as in item 3 above) by



Special Judges of the status of a Sessions Judge who should be empowered to take cognizance without committal, and an appeal should lie from an order of the Special Judge to the High Court.

Section 164 Cr.P.C. should be applicable to the Presidency Towns of Bombay, Calcutta and Madras so as to enable the recording of statements of witnesses during an investigation by Magistrates in these cities.

Section 422 Cr.P.C.: State Governments should be requested to issue executive instructions to District Magistrates to inform the I.G., Special Police Establishment, of notices of appeals in S.P.E. cases.

#### **The Prevention Of Corruption Act, 1947**

The Proviso to Section 3 and Sub-Section (4) of Section 5 should be amended so that officers of the Special Police Establishment down to the rank of Inspector are empowered to take cognizance of and investigate certain offences without the prior order of a Magistrate where there is serious risk of valuable evidence being lost, but the Inspector should make a report to a First Class Magistrate of appropriate jurisdiction as soon as possible after taking action.

The provisions mentioned above refer to Deputy Superintendents of Police. In the three Presidency Towns there are no Police Officers bearing this designation. The Act should be amended so as to confer the requisite powers on officers of corresponding ranks in Bombay, Calcutta and Madras.

Section 5 (2) should be amended so as to make it clear that this Section has not repealed Section 409 I.P.C. by implication (as has been held by a High Court), and that it is open to the prosecution to proceed under either provision or under both.

The appropriate authority for according sanction under Section 6 of the Act should be the authority competent to remove the accused public servant from service at the time when the offence is alleged to have been committed.

Section 1 (3) of the Act should be amended to read "10 years" in place of "5 years". (This will extend the life of the offence of "criminal misconduct in discharge of official duty" up to March 10, 1957.)

#### **The Delhi Special Police Establishment Act, 1946**

The Act should be amended so as to confer jurisdiction on the Special Police Establishment to investigate cases arising in the Departments of Chief Commissioners.

The Special Police Establishment should likewise be vested with jurisdiction to investigate cases arising in statutory bodies like the Damodar Valley Corpora-

tion] and other undertakings where large amounts of Central Funds are involved.

#### **The Indian Railways Act, 1890**

Section 137 of the Act should be amended so that employees of State Railways are treated as "public servants" for all purposes.

#### **Administrative Action**

In view of the continuing difficulty in securing the loan of the services of officers belonging to State Police Forces the Special Police Establishment should be permitted to make direct recruitment from the open market.

The S.P.E. should concentrate on really important cases and should not dissipate its energy on cases of minor importance—which should be left to be dealt with by the State Police.

The Government might consider revising the Terms of Service in the Special Police Establishment if they are satisfied that the existing terms are not sufficiently attractive.

It would be justifiable to create a post of Hand-writing Expert (attached to the Government Examiner of Questioned Documents) whose primary responsibility will be to deal with documents sent up by the Special Police Establishment.

A general circular should be issued to all Ministries and Departments of the Central Government stressing the importance of close co-operation with the Special Police Establishment. The circular should add that instances of lack of co-operation have been taken note of by the Committee, who desire that the causes should be investigated by appropriate authorities. The attention of Ministries and Heads of Departments should also be drawn to the cases of delay in the issue of sanction to prosecute, and the importance of early issue of sanction should be stressed.

The facility of the Railway Warrant System should be extended to officers of the Special Police Establishment even though they may be above the rank of Sub-Inspector.

The Special Police Establishment should not take over the functions of the Directorate of Enforcement under the Ministry of Commerce and Industry, as this can only lead to a reduction in the efficiency of the S.P.E.

A machinery should be evolved for the speedier disposal of departmental proceedings.

The Special Police Establishment has justified its existence, and should be continued for some time to come; the Government should consider at periodical intervals the question of its further continuance.

# LOCAL FINANCE ENQUIRY COMMITTEE, 1949—REPORT

Delhi, Manager of Publications, 1951. 502, VI, CXVp.

**Chairman :** Shri P. K. Wattal.

**Members :** Shri R. K. Sidhva; Shri C. D. Barfiwala; Shri Ramcshwar Narain Agarwala; Shri T. K. T. Vecrarahavachariar (resigned; replaced by Shri K. A. Nachiappa Gounder); Shri P. B. Gole; Shri R. D. Kapila; Shri L. T. Gholap (resigned; replaced by Shri B. D. Mirchandani); Shri M. B. L. Dar; Shri S. K. Gupta; Shri S. N. Sapru; Shri Raizada Hansraj (not joined; replaced by Shri Yashwant Rai, he also resigned).

**Secretary :** Shri Labhu Ram Mehra (not joined; replaced by Shri D. P. Gupta, replaced by Shri Dayaldas Sobhraj Parwani).

## APPOINTMENT

The Local Finance Enquiry Committee was constituted under the Ministry of Health vide their letter No. 13-7/48-63 LSG, dated April 2, 1949.

## TERMS OF REFERENCE

To enquire into the question of the finances of local bodies and to make recommendations for the improvement of local finance and for that purpose:

(1) To examine whether the existing resources are adequate for the performance of the functions assigned to the local bodies and to consider whether, and if so, what further sources of revenue should be provided;

(2) To examine the methods of Government assistance to local bodies;

(3) To examine the existing machinery and methods of (i) assessment, and (ii) collection of taxes.

## CONTENTS

Appointment and Terms of Reference of the Committee; History of Local Finance (Lord Mayo's Resolution of 1870; Lord Ripon's Resolution of 1882; Functions of Municipalities in Lord Ripon's time; Financial Resources of Municipalities in Lord Ripon's time; Functions and Financial Resources of Rural Boards in Lord Ripon's time; Government of India Resolution of 1896; Municipal Income; Municipal Expenditure; Government of India Resolution of 1897; Income of Rural Boards (1895-96); Expenditure of Rural Boards (1895-96); The Decentralization Commission (1907-08); Mr. Gokhale's Resolution in the Indian Legislative Council; Government of India

Resolution, 1915; Municipal Income and Expenditure (1912-13); Municipal Taxation (1912-13); Municipal Control over Services; Control over Municipal Budgets; Control over Sanction to Works; Control over Municipal Establishment; Finances of District Boards; Income and Expenditure of District Boards; Power to Raise Cesses; Control over District Board Budgets; Control over Sanctions to Works; Control of District Boards over Establishments; Functions and Finances of Village Panchayats; The Declaration of August 20, 1917; The Montagu-Chelmsford Report; Government of India Resolution of May, 1918; The Simon Commission Report; The Government of India Act, 1935, and after; Incidence of Taxation and Total Income (per capita) 1946-47; Incidence of Taxation and Income—City Corporations (1894-95 to 1947-48); Inadequacy of Financial Resources of Local Bodies; Elementary Education; Roads; Water Supply; Sanitation; Medical Relief; Functions and Financial Resources of Local Bodies (Education; Public Health and Sanitation; Medical Relief; Public Works; Rural Boards); Power of Taxation (position before Government of India Act, 1919; Position after Government of India Act, 1919; Position under Government of India Act, 1935; Position under the Present Constitution and Recommendation; Present Position of Power Taxation in Various States; General Observations); Property Tax—General: Part I: Position Regarding Levy of Property Tax; Income; Rates; Compulsory Levy of Property Tax; Recommendations Regarding Rates, Maximum and Minimum, and Progressive Scale; Exemptions from Property Tax; Vacancy Remissions; Basis of Assessment and Valuation; Machinery of Assessment, Revision and Appeal; Revision of Assessment; Assessment of Properties belonging to Executive Authorities; Right of Appeal to Local Bodies; Creation of a Central Valuation Organization; Part II: Madras; Bombay; West Bengal; Uttar Pradesh; Punjab; Bihar; Orissa; Madhya Pradesh; Assam; Property Tax—Service Taxes (General; Water Rate; Lighting Rate; Drainage Rate; Latrine Rate; Recommendations); Local Fund Cess (Levy of Cess and the Basis of Assessment; Income; Rates of Cess in each State and Recommendations Regarding Abolition of Zamindari and its Effect on Cess); Octroi and Terminal Taxes (History of Octroi up to the Government of India Act, 1919; Position of Octroi and Terminal Taxes under the Government of India Act, 1919; Terminal Taxes under the Government of India Act, 1935; Terminal Taxes under the Constitution);

Recommendation for Retransferring Terminal Taxes to the State List; Recommendations; Present Position Regarding Levy of Octroi in various States; Bombay; Levy of Octroi on Government Trading Enterprises; Levy of Octroi on Articles Received Through Post (Uttar Pradesh; Madhya Pradesh; Punjab); Profession Tax (Constitutional Limitations on the Levy of Profession Tax; Position in each State: Income; Basis of Assessment; Recommendations—Compulsory Levy Basis of Assessment; Agency for Assessment and Collection); Licence Fees (Income; Position in each State; General Observations; Municipal Monopoly of Markets; Licensing to be Self-Supporting; Periodical Review of Fees for Licences; Distinction Between Licence Fee and Tax); Taxation of Railways (Difficulty of Valuing Railways; Railways Act, 1890; Enunciation of Policy, 1901; Declaration of Policy, 1907; Change of Attitude; Government of India Act, 1935, and after; Railways (Local Authorities Taxation) Act, 1941; Present Policy of the Railway Board; Criterion of "Services Rendered"; Position under the Constitution; Railway Board's Memorandum of 1948; Position in Other Countries; Present System of Assessment of Railway Properties; British System of Valuation of Railways; U.K. Local Government Act, 1948; Recommendations); Taxation of Government Property (Position before Government of India Act, 1935; Position under Government of India Act, 1935; Position under the Constitution; Position in Other Countries; Arguments Against Local Taxation of Union Government Property; Arguments in Favour of Local Taxation of Union Government Property; Observations and Recommendations); Betterment Levy of Union Property); Taxation of Port Trust Properties (Madras; Calcutta; Bombay; General); Taxation of Floating Population (Tax on Railway Passengers; Hotel Tax; Tax on Food Ration Cards); Taxation of Mines (Basis of Assessment; Mining Boards; Special Cesses for Mining Boards; Special Laws; General Observations; Quarries); Collection of Taxes (Position State-wise; Need for Improvement in Collections; Levy of Penal Interest; Coercive Processes; Need for Improving the Efficiency of Financial Personnel; Disqualification of Members of Local Bodies in Arrears); Grants-in-Aid and Assignments of Revenue (General; Grants-in-Aid in England; U.K. Local Government Act, 1929; U.K. Local Government Act, 1948; General Exchequer Grants and Transitional Grants; Grants in India; Madras; Bombay; West Bengal; Uttar Pradesh; Punjab; Bihar; Orissa; Madhya Pradesh; Assam; General Observations; Assignment and Sharing of Provincial Taxes; Grants to Supplement Assigned Taxes; Information about Grants-in-Aid); Education (General; Madras; Bombay; West Bengal; Uttar Pradesh; Punjab; Bihar; Orissa; Madhya Pradesh; Assam); Medical and Public

Health [General; Total Expenditure; Per-Capita Expenditure (Urban); Per-Capita Expenditure (Rural); Government Assistance; Madras; Bombay; West Bengal; Uttar Pradesh; Punjab; Bihar; Orissa; Madhya Pradesh; Assam; General Observations]; Communications (General; Road Mileage Statistics; Statewise Positions Regarding Grants for Communications; Madras; Bombay; West Bengal; Uttar Pradesh; Punjab; Bihar; Orissa; Madhya Pradesh; Assam; Need for Prescription of Standards of Road Maintenance; Tax on Bullock Carts; Tax on Road Transport; Tax on Rickshaws; Payment of Compensation from Motor Vehicles Tax; Extraordinary Damage to Local Roads During the War and Partition); Finances of Improvement Trusts/Development Boards (General; History of Improvement Trusts; Finances; Financial Aid for Housing in Other Countries; Recommendations); Finances of Village Panchayats (General; Constitution; Functions; Finances; General Observations and Recommendations); Finances of City Corporations (Madras; Bombay; Calcutta); Public Utility Undertakings (General; Transport; Cinemas, etc.; Electricity Distribution); Borrowings (General; Local Authorities Loans Act, 1914, and Rules; Ways and Means Advances; Rate of Interest; Repayment; Position of Securities of Local Bodies as "Trustee Securities"; Municipal Banking); Audit (General; Internal Audit; Extension of Scope of Audit; Surcharge); Budget (Power to Sanction Budgets; Allotment of Fixed Proportions of Revenue to Particular Objects; Power of Sanction to Works Expenditure; Investment of Funds; Control over Establishment; General Observations; Minute of Dissent by Shri S. N. Sapru; Minute of Dissent by Shri M. B. L. Dar; Minute of Dissent by Shri Chunilal D. Burfiwala; Minute of Dissent by Shri P. B. Gole; Minute of Dissent by Shri R. K. Sidhva; Minute of Dissent by Shri R. D. Kapila); Summary of Recommendations; Appendices (General); Statistical Appendices.

## RECOMMENDATIONS

### History Of Local Finance

We are of the opinion that wholesale transfer of functions from local bodies to State Governments is a retrograde step and should be avoided. Whatever be the criterion for demarcations of functions between the State Government and the local bodies, the desperate financial plight of the latter should not be made a ground for reducing them to practical impotence.

It is hoped that in the new set-up local bodies will be used more and more as instruments of national policy and there will be a steady enlargement of their functions.

## Power Of Taxation

In order to give to the local bodies definite sources of revenue it is suggested that a convention may be established by which the net proceeds from the following sources of revenue shall be exclusively available for the local authorities.

### Union List

(1) Item No. 89: Terminal Taxes on goods or passengers carried by railway, sea or air.

### State List

(2) Item No. 49: Taxes on lands and buildings.

(3) Item No. 50: Taxes on mineral rights subject to any limitations imposed by Parliament by law relating to mineral development.

(4) Item No. 52: Taxes on the entry of goods into a local area for consumption, use or sale therein.

(5) Item No. 53: Taxes on the consumption or sale of electricity.

(6) Item No. 56: Taxes on advertisements other than advertisements published in newspapers.

(7) Item No. 56: Taxes on goods and passengers carried by road or on inland waterways.

(8) Item No. 57: Taxes on vehicles, other than those mechanically propelled.

(9) Item No. 58: Taxes on animals and boats.

(10) Item No. 59: Tolls.

(11) Item No. 60: Taxes on professions, trades, callings and employments.

(12) Item No. 61: Capitation taxes.

(13) Item No. 62: Taxes on entertainments including amusements.

We consider that no useful purpose will be served by going into details of cases where rates of taxation have remained unchanged over long periods of time. We would only bring the point to the notice of the State Governments so that they might take appropriate action with the local bodies in question. Local bodies which do not utilize their existing powers of taxation can have no claim on the financial resources of the State.

We think that where local bodies have not got independent powers of taxation, they should be given such powers, subject to maximum limits in each case to be prescribed by the Acts or the rules framed thereunder.

Within these limits, local bodies should have a free hand in determining the rates of taxes. Where a local body is unwilling to impose a tax at an adequate rate, the State Government should have the right, in the first instance, to give friendly advice and if the

local body fails to carry it out, the State Government should in the last resort have the power to impose or raise the tax themselves, particularly in emergencies.

### Property Tax (General)

There is a difference of opinion as to whether the rates on property are the most appropriate form of taxation for local purposes. We are of the opinion that the existing system should continue, though hardship to owner-occupiers may be alleviated by introducing some flexibility in the method of valuation of properties of different categories.

Property Tax seems to us a tax particularly suitable for exploitation by local bodies and we think it desirable that State Governments should withdraw from this field on the condition that an equivalent local tax is imposed by the municipality.

We are of the opinion that in the place of the present optional provision for the levy of the Property Tax in the various Municipal Acts, there should be an obligatory provision as it is in the Acts constituting the City Corporations of Bombay and Calcutta. Should, however, any Municipality fail to levy the tax in spite of such statutory provision, the State Government should have power to levy the tax at such rates as they deem fit in any Municipal area for the benefit of the Municipality. We would suggest that this power should be exercised by the State Government only when a Municipality has refused the advice tendered to it by the State Government in the first instance.

We recommend that a maximum rate for the Property Tax should be prescribed by statute where it is not done at present. A minimum should likewise be prescribed in the Acts.

We are generally in favour of a progressive scale, adoptable at the discretion of the Municipality concerned.

We are of the opinion that in all cases where exemption is granted at the instance of a Government, an equivalent contribution should be paid by that Government to the Municipal funds.

We are of the view that it is necessary to ensure that an institution claiming exemption on the ground of being a charitable institution is actually being used for purposes of charity. We also think that the list of charitable institutions which at present get exemption from Property Tax should be subjected to periodical review in order to see whether the exemption given in each case is justified or not. This review should be undertaken either by the State Government or the Municipality according as the exemption is under the Act or the rules made thereunder.

Where an actual service like supply of water is rendered there should be no exemption.

It does not appear that a complete list of exemptions granted (together with annual value in each case) is kept by every local body. Such a list should be prepared and should be scrutinized from year to year with a view to seeing that the exemption is fully deserved in every case.

We are of the opinion that there should be no exemption from the property tax merely on the ground of the annual value falling below a particular monetary limit. Such exemptions, wherever they exist, should be done away with.

In view of the fact that the major portion of the services rendered by local bodies such as street repairs, maintenance of main roads, fire brigades, public lighting, drainage, street cleansing, etc., has to be performed, whether the building remains occupied or not, there seems no justification for giving a greater remission than one-half of the tax due in all such cases. Remission should not be granted for a vacancy of less than 90 consecutive days in a year. No rate payers who are in arrears should be entitled to vacancy remission.

We are of the opinion that where the actual rent is lower than the "reasonable" rent, the latter should be adopted as the basis of assessment.

We see no reason why such a machinery as is rateable in England should be excluded in India, and recommend that the Acts of the various States may be amended on the lines of English practice in this matter.

We are not in favour of the inclusion of furniture for valuation.

We are of the opinion that there should be no change from the well-trying basis of rent to the more or less uncertain basis of capital value. Where, however, Municipalities are actually adopting capital value as the basis and there is no complaint that basis may continue.

If alternative bases are to be retained, we think that the choice of basis should not, either directly or indirectly, be left with the owner of the property. There should be only one basis of assessment, namely, the rental basis. Where alternative bases are in existence, the position may be reviewed and remedied.

We recommend that the entire proceeds of the local fund cess within Municipal areas be handed over to Municipalities instead of to District Boards.

Nazul lands should be handed over to Municipalities for management, as in U.P., and the income from leases may be distributed between the Government and the local bodies.

We see no reason for the continuance of the concession in regard to levy of Property Tax in the Muni-

cipal Acts of Bengal, Bihar and Orissa in respect of buildings the cost of construction of which exceeds one lakh of rupees.

We are of the opinion that the Calcutta City Municipal Act should be amended so as to provide for a simultaneous revision of valuation in all wards.

We consider the provision in the Madras City Municipal Act and the District Municipalities Act, whereby the annual value of any building or land, the tax for which is payable by the Commissioner (Chief Executive Officer), is to be determined by the Mayor or the Revenue Divisional Officer, as the case may be, a very salutary provision and recommend its adoption.

We think that the Municipal Acts should be amended so as to make it obligatory to record the grounds for each reduction of valuation or assessment.

A local body should have a right of appeal when it feels aggrieved by any decision of a revising authority.

While the power to tax should continue to be vested in the local bodies, the detailed work connected with the preparation of the valuation list of all the properties within the jurisdiction of a local body should be entrusted to a Central Organization (to be created for this purpose) which will consist of trained valuers, as in Western countries. A Valuation Department should be brought into being for all the local bodies in each State.

### Property Taxes (Part II)

We are of the view that where an exemption is granted at the instance of the State Government, which has not been proposed by the Municipality, the Municipality should be given compensation to that extent by the Government.

### Property Tax—Service Taxes

As regards the question whether or not the services of water supply, drainage, lighting and conservancy should be self-supporting, we are of the opinion that the cost-of-service principle, however equitable it may seem in the abstract, is not capable of practical application.

The present classification of Municipal services into two categories, one to be financed from General Revenues and the other from Special Rates, does not appear to rest on any logical basis.

A Special Service Rate is justified when the areas within Municipal limits are differently developed. When the development is uniform and all the services are evenly spread throughout the area, the case for Special Service Rates disappears.

## Local Fund Cess

As the Land Revenue staff which collects the land cess would in any case have to be maintained for the collection of land revenue, and the cost of special staff for the adjustment of accounts between the Land Revenue Department and the District Boards must be insignificant, we think that the Government might well remit this charge.

We consider that the rates of the public works cess and road cess in Bengal should be doubled.

In District Boards in the Punjab where the cess is being levied at 24 pies in the rupee of land revenue, we recommend that the cess should be raised to at least 36 pies.

We are of the opinion that the rate of two annas in the rupee in Bihar District Boards should be earmarked for general purposes and a separate education cess of one anna levied.

We think that the rate of cess in Orissa should be raised to three annas.

The rate at present levied by Janapadas in Madhya Pradesh is low and should be raised to three annas in the rupee.

We think that the local rate in Assam should be raised to three annas in the rupee.

The present rate of cess in Ajmer-Merwara is low and should be raised to one-and-half annas and by gradual stages to three annas.

The rate of cess in Coorg should be the same as in Madras.

With the abolition of Zamindari, the responsibility for the payment of cess will have to be definitely fixed either on the Government or on the tenant who holds directly from the Government. The interests of District Boards should not be prejudicially affected by the abolition of Zamindari.

## Octroi And Terminal Taxes

We recommend the transfer of the entry relating to Terminal Taxes from the Union List to the State List.

If that is not possible we recommend that the Government of India should consider favourably any proposal which may be made to them by State Governments for the levy and collection of Terminal Taxes.

If the above suggestion cannot be adopted there is no alternative to octroi, as it is the most productive single item of Indirect Taxation available.

There should be in each State a model schedule for octroi approved by the State Government and departures from this schedule should not be permitted except with the previous approval of the Government. In

framing the model schedule the rates on the necessities of life should be kept as low as possible.

Octroi should be levied generally on an *ad valorem* basis. There should be no objection to a "maundage" or other basis in the case of articles where the *ad valorem* basis is not suitable.

All public utility and commercial undertakings of the Government should be treated, so far as local taxation is concerned, in the same manner as if they were conducted by private enterprise. If they are to be exempted from local taxation the Government concerned should make a contribution in lieu of such taxation. The provision in Article 285 of the Constitution is unfair to local bodies. We recommend that necessary legislation may be undertaken to provide for local taxation of State property used in connection with State trading or running of public utility concerns.

To prevent evasion of Octroi duties on postal parcels the post office should render every assistance to Municipalities.

## Profession Tax

The Government should advise local bodies to revise their schedules of Profession Tax so as to correspond to the limit permitted by the Constitution.

We consider that the present limit of Rs. 250 in the Constitution is very low and should be raised to Rs. 1,000.

Where the Municipal or Local Board Acts do not contain any provision for the levy of Profession Tax, such provision should be made. We are, however, not in favour of the tax being made compulsory in the case of all local bodies. It may be possible in the case of many local bodies to raise sufficient funds by the levy of Octroi and House Tax. In such cases it may not be necessary to compel the local bodies to levy a Profession Tax. We recommend the compulsory levy of Profession Tax under the orders of the State Government only in cases where only one of the other taxes, namely, House Tax or Octroi or Terminal Tax, is being levied.

The basis of actual income would be the ideal one, but in view of the very great practical difficulties in the way of its adoption, we recommend that local bodies should have the choice to adopt all or any of several bases according to their convenience.

The assessment and collection of Profession Tax should be done by the Municipalities themselves, but they should not have the power to call for accounts.

So far as rural areas other than those covered by Village Panchayats are concerned, we think that in view of the large areas to be covered, the agency for assessment and collection should be the Revenue Department.

In areas where Village Panchayats are constituted, we think that Profession Tax should be levied by the panchayats and should be assessed and collected by them.

#### Licence Fees

We are of the opinion that markets and slaughter-houses should generally be self-supporting. While endeavour should be to make the markets and slaughter-houses a remunerative enterprise bringing an appreciable net income to the local bodies, in no case should the investment of capital and the recurring expenditure on markets and slaughter-houses be a burden on the local revenues. The State Government should issue instructions to the local bodies to this effect and from time to time see that this is done whenever the account or budget of a local body comes up for review.

The Government of Madras are considering the giving of monopoly of opening markets to Municipalities and prohibiting by legislation the opening of private markets. We recommend that other State Governments should consider whether such a step would be feasible.

The scale of the various licence fees levied by Municipalities should come in for a regular periodical review, at least once in three or five years.

We recommend that the rates of licence fees should be adequate to cover the cost of regulation and supervision of the trade or activity licensed. An attempt should be made to keep proforma accounts in relation to receipts and expenditure of the licensing branch and to ensure that these balance each other. When, however, there is a separate Licence Department the expenditure on that department should not be a net charge on the General Funds of the local body.

A proper scrutiny of various licence fees levied in different States would show that some of the trades, professions, callings or occupations which are subject to licence fees can be more suitably made the objects of Profession Tax. We recommend such a scrutiny and change in the method of this imposition, whatever is suitable.

#### Taxation Of Railways

We are of the opinion that until the system of local taxation of railways is rationalized and railway undertakings considered as a whole it will not be possible to secure any worthwhile improvement in the existing position. The present lack of uniformity and piecemeal valuation should go. An Act of Parliament should prescribe the principles of valuation, taxation and apportionment. If a Railway Assessment Authority is set up it should be so constituted as to secure adequate representation of local bodies. The right of

appeal against the awards of Arbitrators appointed by the Government of India under the Railways Act should be conferred on local bodies and a Special Tribunal constituted under Parliamentary authority for hearing such appeals. The liability of Railways for both General and Service Taxes should be recognized as in the Notification of 1907.

The stress now laid on payment for services rendered as a criterion for local taxation of Railway properties is, in our opinion, not justified.

#### Taxation Of Government Property

We recommend that State Government properties are not liable to local taxation under the Acts constituting local bodies; the Acts should be amended to provide for such taxation. If the liability is accepted, there should be no objection to an independent machinery for valuation of Government property.

While Union Government properties may continue to enjoy statutory immunity from local taxation, the Union Government should adopt the practice of Governments in other countries and make a contribution to local bodies in lieu of such taxes. That contribution should not be limited by any artificial dateline. In regard to the valuation of these properties, we recommend that the procedure prevailing in England may be adopted, i.e., the valuation may be done by a special machinery constituted by the Central Government.

In regard to official residences, the privileged treatment at present accorded, namely, the annual value being based on the concessional rent paid by Government servants, should be withdrawn and the normal assessment levied.

There is no reason to treat the property of the Central Government differently from other property in respect of levy of betterment charges. Should, however, there be any legal or other objection to the payment of betterment charges in the form of taxes or fees, an equivalent contribution should be made by the Government in lieu thereof.

#### Taxation Of Port Trust Properties

As the Madras City Corporation and the Port Trust are in favour of the continuance of the existing system of assessment, namely, a percentage of gross earnings, and also in view of its decided advantages we recommend that the existing arrangement be continued.

As the Corporation of Calcutta and the Calcutta Port Commissioners have expressed satisfaction with the recent agreement that they have entered into we suggest that steps may be taken to give legislative effect to its terms.

If in the case of assessment of any Port Trust pro-

perties the profit basis is adopted it is necessary that the form of keeping accounts should be determined by an independent authority.

We suggest the constitution of a tribunal to deal with disputes relating to the determination of rateable value of Port Trust properties. Such a tribunal may consist of a qualified accountant and an experienced engineer and be presided over by a High Court judge.

#### Taxation Of Floating Population

We recommend that the levy of a tax on railway passengers in important centres of trade and industry may be permitted as is done in Calcutta.

We suggested that State Governments should authorize Municipalities to levy a tax on such visitors to important centres of trade and industry as reside in hotels. Such a tax might be levied in the form of a surcharge on the hotel bill, subject to a minimum exemption limit of Rs. 5 per visitor.

#### Taxation Of Mines

Local taxation of mines on the basis of output appears to us to be appropriate. That basis may be adopted by States which are not doing so at present.

Exemption from the payment of general cess to District Boards at present enjoyed by Railway collieries should cease.

We have suggested that the land cess on agricultural lands in West Bengal should be doubled. If this suggestion is accepted the general cess payable by mines in West Bengal should also be doubled.

The local taxation of quarries should be on the same basis as for mines.

#### Collection Of Taxes

Each State Government should prescribe for their local bodies a standard percentage of collection to demand and see that it is attained.

The Examiner of Local Fund Accounts should be instructed to give figures in his audit reports of the percentages of collection of taxes to demand for every local body. The figures should be compiled on a uniform basis in all the States, to facilitate comparison.

We are not in favour of any rebates being granted for punctual payment. But we suggest that penal interest at 6½ per annum should be charged on arrears of taxes.

Where the Acts do not provide for coercive powers for local bodies necessary amendments should be made to incorporate such powers. It should be impressed upon local bodies that a freer use should be made of these powers for collection of taxes.

We are not in favour of issue of distress warrants for recovery of contractual dues, but only for recovery of taxes and fees. In regard to rents of lands vested in

or managed by Municipalities, we recommend the adoption of the procedure prescribed in Section 291 of the U.P. Municipalities Act, 1916, i.e., the Municipality may apply to the Collector for the recovery of such rents as arrears of land revenue.

Local bodies should have the power to proceed not only against movable but also against immovable property for the recovery of their taxes and fees.

The head of the financial administration in bigger Municipalities should be a qualified and specially selected person. He should also be in charge of accounts and should examine the position with regard to collection of taxes and submit monthly reports to the chief executive authority, and bring to his notice any failures in collection and suggest suitable remedies. No liabilities of a financial nature should be incurred before he has examined and reported thereon.

With regard to recruitment of the higher financial personnel, we are of the opinion that there should be a Provincial Cadre for such services. Such a cadre should be controlled by a board with statutory powers on which there should be representatives of local bodies.

We recommend that:

(i) No person should be eligible to stand for election to any office in a local body, if on the date of filing nominations he is in arrears of local taxes; and

(ii) If within three months of the notice of demand of any dues to the local body, a member of such a body fails to pay up the arrears, a warning notice, that if he does not pay the arrears before the date of expiry of the original notice of demand, he becomes disqualified under the relevant section of the Act, should be given.

#### Grant-in-Aid And Assignment Of Revenues

It is felt that if the functions imposed on local bodies under the Constitution (Articles 45, 47, etc.) are to continue to be the responsibility of local bodies as a means of encouraging local initiative, enterprise and co-operation, the State should come to the assistance of local bodies by way of adequate grants-in-aid where they are unable, out of their own resources, to achieve the minimum national standard of efficiency.

The State Governments while investing local bodies with wider responsibilities must place at their disposal adequate funds to discharge those responsibilities.

Grants-in-aid should be so given that, while achieving clearly defined objects of policy and administration, they do not encourage unwillingness on the part of local bodies to develop their own resources.

We prefer assignment of sources of revenue, wherever possible, to grants-in-aid. Where it is not possible to meet the full requirements of a local body from assigned revenues, grants should be given as a last



resort. We suggest that the system of grants-in-aid should be utilized to remedy inequalities which are inherent in a system of assigned revenues. Otherwise, generally we would prefer that independent sources of revenue should be placed at the disposal of local bodies.

We recommend that 15% of the net proceeds of land revenue accruing within the area of a District Board (which is not already assigned to a Village Panchayat) should be assigned to District Boards.

We are not in favour of the imposition of a separate vehicle tax on motor cars by local bodies in addition to the State tax. We recommend the sharing of the net proceeds of the Motor Vehicles Tax with the local bodies.

The Sales Tax should remain wholly a State source of revenue and not be shared with the local bodies.

It is desirable that all grants, whether statutory or non-statutory, should be given on some definite and understandable principles, and each State Government should formulate such principles for its guidance.

We suggest that each State Government may, at the time of preparing the budget, include in the Finance Department's explanatory memorandum details of financial assistance rendered to local bodies. Such a statement should also include items which do not appear in the budget, e.g., transfer of land, or any other form the financial assistance for which no vote of the Legislature is required.

## Education

In respect of secondary, technical and collegiate education, we consider that there should be no financial responsibility on local bodies and that they should be entirely relieved of this liability.

In regard to Madras we recommend that after the levy of education tax at a proper level, of which the State Government must be the judge, contribution from General Funds of local bodies for educational purposes shall not exceed the proportion that such contribution now bears to the income (excluding Government grants) of such local bodies and the whole of the remaining expenditure should be borne by the State Government.

In regard to Bombay we suggest that the State Government should consider whether an education cess may be levied as in Madras.

We suggest that in every Municipality in West Bengal an education rate as prescribed in the Bengal Primary Education Act, 1919, should be levied. Any increase in expenditure considered necessary to introduce compulsory primary education should not exceed the proportion which the present expenditure of Municipalities on this subject bears to local income.

As regards U.P., we suggest that the Government should consider the desirability of levying an Education Cess at a suitable rate.

As regards Punjab, we suggest that an education cess should be levied in urban and rural areas at rates approved by the Government. The balance of the expenditure should be met from State funds in accordance with the same formula as we have suggested for other States.

If the Education Cess now levied in Bihar is not adequate for any area we suggest that it should be raised to an adequate level. The balance of the expenditure not covered by the Education Cess should be met from Provincial Funds in the same manner as recommended by us in the case of other States.

The financial assistance which local bodies receive from the Government in Orissa is not inadequate and we have therefore no recommendation to make in this regard.

We understand that in Madhya Pradesh the State Government has decided to take over compulsory primary education. We have, therefore, no recommendation to make in this regard.

Under the Assam Primary Education Act, 1947 (which came into force with effect from November 1, 1948), local bodies have been relieved of the responsibility for primary education; therefore, the question of apportionment of local expenditure under this head does not arise.

## Medical And Public Health

The distribution of expenditure in regard to Public Health should be as follows:

**Local Bodies :** (a) Construction, maintenance and cleansing of drains and drainage works and of public latrines, urinals and similar conveniences;

(b) Scavenging and removal and disposal of excrementitious and other filthy matter and of all ashes, refuse and rubbish;

(c) Reclamation of unhealthy localities, removal of noxious vegetation and generally the abatement of all nuisances;

(d) Regulation of places for disposal of the dead and the provision of new places for the said purpose; and

(e) Registration of births and deaths.

**State Governments :** (f) Public vaccination;

(g) Prevention and suppression of infectious and dangerous diseases; and

(h) Establishing and maintaining public hospitals and dispensaries and carrying out other measures necessary for public medical relief.

We recommend that the division of functions may remain as it is at present.

## Communications

Grants for the maintenance of roads should be based on the road mileage which has to be maintained. State Governments should prescribe certain standards of maintenance for metalled and unmetalled roads and make grants on such basis, especially in rural areas, where the need for financial assistance in this matter is very great. We realize that, as a result of such prescription of standards, the financial burden on State Governments will become heavy and they may not be able to give adequate grants-in-aid within the next few years, but it is better to prescribe standards and reach them by slow stages than to allow the present unregulated state of affairs to continue.

We recommend that a tax on bullock carts should be levied in rural areas. It would be very difficult in practice to discriminate between carts used for hire and carts not so used. We, therefore, are not in favour of the exemption of the latter.

The question of the rate at which the tax might be levied we would leave to the discretion of each State Government. Where a tax on bullock carts is already being levied in any Village Panchayat and is at the same level as the tax now proposed for levy by the District Board, there should be no further levy on the individual paying the Panchayat Tax. But should the level of taxation of the Panchayat be lower than that of the District Board, the latter may levy the tax at the difference between the two rates. The net proceeds of such taxation should be exclusively earmarked for purposes of road development in rural areas.

We are in favour of road transport paying a tax which should be levied as a State tax in the first instance. The tax should be in the nature of a surcharge on the fare and range between 3 pies and 12 pies according to distance. Not less than two-thirds of the net proceeds of the tax should go to local bodies and the balance may be retained by the State Government. The basis of allocation of the portion which is intended for local bodies should be either population or road mileage within the jurisdiction of each local body.

We suggest that the power to impose taxation on rickshaws should be conferred on local bodies where it does not already exist.

The basis of the compensation for loss of income due to the abolition of tolls on motor vehicles should be re-opened and fresh amounts fixed in the light of altered facts.

The damage done to the roads of local bodies by extraordinarily heavy traffic can be made good either by the State sharing the proceeds of the motor vehicle tax with them or by the levy of a surcharge on trucks above one ton in weight for the benefit of local bodies concerned.

As regards the damage done by motor trucks during the War, there is a good case for compensation, but the matter is one which should be pursued by the State Governments concerned with the Defence Department.

There is a similar case for compensation to certain local bodies in the Punjab, particularly the Amritsar Municipality, for damage done to roads in consequence of the partition of the Province.

## Finances Of Improvement Trusts And Development Boards

The existing resources of the Improvement Trusts are not adequate. The State Government should make these bodies financially self-sufficient so that they may be able to discharge their obligations. We recommend that Improvement Trusts and Development Boards should have the following sources of revenue:

- (1) Annual contribution of 2% of the annual rateable value from Municipal funds;
- (2) Share of the proceeds of the Entertainment Tax;
- (3) Share of the proceeds of the Terminal Tax on persons coming by rail, road or inland waterways;
- (4) Betterment Tax; and
- (5) Government grants.

In regard to item (2) above, the Madras Corporation at present gets practically the whole of the Entertainment Tax. Similarly, in regard to item (3), the Calcutta Improvement Trust gets the entire income of the terminal tax on passengers coming by rail. We do not suggest that either of these arrangements should be disturbed by the recommendations made above.

Calcutta, Nagpur and some other Trusts are permitted to levy a surcharge on Stamp Duty on transfer of immovable property. Where this is actually being done, we do not recommend any change. But we are not in favour of its extension to other Trusts.

Improvement Trusts and Development Boards should ordinarily borrow from the Government, and the rate of interest charged by the Government should in no case be more than 4% above the rate at which the Government have borrowed themselves.

As regards slums, we recommend the adoption of the provisions of the English Housing Act which requires slums to be cleared at the cost of the owners. We suggest that the law should be so amended that compensation for acquisition of properties for purposes of slum clearance should be limited to the market value of land without any payment being made for the structure and without the addition of 15% solatium on account of compulsory acquisition.

## Finances Of Village Panchayats

Every Panchayat should levy the following two taxes compulsorily:

(i) House Tax or *chulla* tax or circumstances and property tax; and

(ii) General sanitary cess.

Other taxes may be levied by Panchayats according to their needs and local conditions.

As regards Labour Tax, there should be no compulsion.

If a person renders such labour willingly, he should be allowed to do so. Alternatively he may be permitted to make a payment in kind in lieu thereof. Should he be unable to work or make any payment in kind on account of poverty, he should not be subjected to any penalty.

We recommend an unconditional allotment to Village Panchayats of 15% of the land revenue raised in the Panchayat areas.

There should be a surcharge on the transfer of immovable property within the Panchayat jurisdiction for the benefit of Village Panchayats.

We recommend that in regard to elementary education Village Panchayats should be dealt with on the same lines as other local bodies.

Village Panchayats should also be assisted in the following ways:

(i) Salaries and allowances of Panchayat officers should be borne by the State Government at least to the extent of three-fourths;

(ii) Wherever Panchayats are compulsorily required to maintain chowkidars and daffadars for watch and ward duties, the State Government should bear the cost on account of their salaries and allowances;

(iii) Panchayats should be allowed the use of State lands within their jurisdiction. When alienation of these lands takes place, it should be subject to the sanction of the State Government.

(iv) Village Panchayats, wherever possible, should be encouraged to collect land revenue and land cess on behalf of the State Government on a commission basis.

Panchayats should also be encouraged to undertake as many remunerative enterprises as possible, namely, markets, slaughter-houses, cart and bus stands and ferries. They may also be encouraged to take up co-operative farming, dairies and like activities under the guidance of the State Government.

#### Finance Of City Corporations

**Madras Corporation:** We recommend that the question of raising the rate of Property Tax in respect of properties with annual valuation of Rs. 500 and below from 16½% to 17½% should be revived.

We recommend that the rate of tax on timber be raised to Rs. 20.

**Bombay Corporation:** In the event of the Bombay Government withdrawing the Urban Immovable Property Tax the Bombay Corporation should consider

its replacement by an equivalent addition to the Municipal Tax.

The administrative machinery should be tightened and necessary steps taken to improve collection of taxes.

As regards the distribution of expenditure on primary education we recommend the same formula for the Corporation as we have suggested for other local bodies.

The machinery of valuation and collection should be tightened. This alone will lead to an increase of revenue under the consolidated rate by about 50%.

#### Public Utility Undertakings

Motor transport can be successfully undertaken only by bigger city Municipalities within their local area but we are not in favour of its being undertaken by smaller Municipalities and rural local bodies.

In rural areas and smaller Municipalities, passenger transport should be managed by the State and the net proceeds shared with local bodies over whose roads the services are run.

Where State Electricity Boards are set up, the financial interests of local bodies should not be disregarded. Local bodies engaged in the business of generation and distribution of electricity should continue to do so and have a free hand in the matter of utilization of the net profits of the undertaking. In regard to new schemes, however, local bodies competent to run electricity undertakings should be given first preference, particularly in regard to retail distribution, subject of course to such restrictions as the Provincial Board may wish to impose.

#### Borrowings

We suggest that the procedure in regard to loan applicants be simplified so that final orders on a loan application can be issued within four months of its receipt by the Government.

The State Governments are in a position to borrow more cheaply on behalf of local bodies. It is desirable to have a co-ordinated loan policy in which the interests of the Union Government, the State Governments and the local bodies should be considered together.

We support the request made by the Calcutta and Bombay Corporations for the amendment of their respective Acts to allow them to receive ways and means advances repayable within the year from their respective banks with which they keep their accounts on much the same lines and subject to the same conditions on which the State Governments receive such advances from the Reserve Bank.

With regard to other local bodies we recommend that they should also be in a position to receive such

advances from the bank in which the Government has permitted them to keep their account, if they keep their funds in the Government Treasury from the Government itself, on the same lines and subject to the same conditions as for City Corporations.

The rate of interest to be charged to local bodies on loans taken from the Government should not be more than one-fourth over the rate of interest paid by the State Government on its own loan for the year in question. The period of repayment in the case of productive schemes may well be extended from 30 to 40 years.

If a local body is able or willing to repay a Government loan earlier than the due date it should be encouraged to do so.

We do not favour the State Government guaranteeing the principal and interest of loans raised by local bodies, but the question whether Section 20 of the Indian Trusts Act may be amended so as to include local bodies in the bigger cities may be considered.

Establishment of Municipal banks by individual Municipalities, except perhaps by big City Corporations, does not appear to us practicable. A Municipal bank for each State would have a better chance of success than banks run by individual Municipalities. The State Government should, however, continue to exercise its powers under the Local Authorities Loans Act in regard to the sanctioning of loans advanced by the bank to local bodies.

## Audit

In addition to a qualified accountant, there must in the major Municipalities be an internal audit staff, paid for by the local body, which should be responsible for the initial audit of all transactions of receipts and payments.

With the setting up of an internal audit staff local bodies should be relieved of the liability to contribute to the cost of the audit staff of the Examiner of Local Fund Accounts, where such liability exists.

It is essential that the Examiner of Local Fund Accounts should regard himself not only as an auditor but also as a financial adviser of the local bodies whose accounts he audits. He should be responsible for the checking of all assessment lists and collections against assessment and should bring to notice cases where the collections fall below a prescribed minimum.

The provision for surcharge is a healthy one and should exist in relation to all local bodies.

The surcharge should be both against any person through whose negligence or wrong action such liability has occurred, whether he is an employee of the local body or a member voting for it.

## Budget

The power to sanction budgets should vest entirely in local bodies. They should be required to maintain a prescribed closing balance which should not be drawn upon, except temporarily and in an emergency, without the sanction of the State Government or of such officers as may be nominated by the Government in this behalf.

Local bodies should also have full powers of re-appropriation and making supplementary allotments during the currency of a financial year, as long as the prescribed minimum balance is not trespassed upon.

The practice prevailing in certain States to require local bodies to allot a percentage of their revenues to particular objects should be discontinued. Where, however, the Government gives a grant for a specific purpose that grant may not be diverted to some other purpose.

Where the Government considers it essential to control a service, it should pay for it and not ask for any contribution from the local body.

The present restrictions on the powers of sanction to works expenditure are very minute and should be relaxed.

The control in respect of non-gazetted and inferior establishments of local bodies by some State Governments is very minute and needs to be relaxed. The Government should prescribe rules in regard to various categories of local bodies in respect of matters such as pay, allowances, leave, travelling allowances, pensions, provident funds, etc. If a local body considers that its circumstances warrant any modification of such rules the variation desired should be with the sanction of the State Government. In other respects, however, local bodies should have a free hand in regard to their establishments.

The restrictions placed on the investment of spare funds by local bodies require revision. A list of banks with which funds may be invested may be drawn up with the approval of the Reserve Bank of India. Subject to the maintenance of the prescribed minimum balance investment of all spare funds with approved institutions should require no outside sanction.

# FISCAL COMMISSION, 1949-50—REPORT

Delhi, Manager of Publications, 1950. 4 Vols.

**Chairman :** Shri V. T. Krishnamachari.

**Members :** Dr. B. N. Ganguli; Shri B. M. Birla;  
Shri M. Ananthasayanam Ayyangar;  
Shri Mukhtar Singh; Shri Khandubhai  
Desai; Shri Ambalal Sarabhai.

**Member-**

**Secretary :** Shri D. L. Mazumdar.

## APPOINTMENT

The Fiscal Commission was appointed vide Resolution No 34-T(37)/48 dated April 20, 1949, by the Government of India in the Ministry of Commerce. It was inspired by the Industrial Policy Statement by the Government and owes its origin to the statement on Industrial Policy made by the Government of India in 1948. In this statement the Government of India reaffirmed their intention of designing the country's long-term Tariff Policy to suit the needs of Post-War India in the following words:

"the Government of India are fully alive to their direct responsibility for the development of those industries which they have found necessary to reserve exclusively for State enterprise. They are equally ready to extend their assistance to private or co-operative enterprise in the report of the industrial field and, in particular, by removing transport difficulties and by facilitating the import of essential raw materials to the maximum possible extent. The tariff policy of the Government will be designed to prevent unfair competition and to promote the utilization of India's resources without imposing unjustifiable burdens on the consumer."

It was in pursuance of this undertaking that the Fiscal Commission was set up.

In their Resolution No. 34-T(37)/48 dated April 20, 1949, setting up the Fiscal Commission, the Government of India in the Ministry of Commerce referred to the last sentence of the above excerpt from the Government of India's statement of Industrial Policy and added :

"Having regard to the importance of the issues involved and the necessity to synthesize the needs of the divergent interests that are concerned, it has been

decided that a Fiscal Commission be appointed to enquire into this matter in detail with the following terms of reference."

## TERMS OF REFERENCE

(1) To examine, in consultation with all the interests concerned, the working of the policy of the Government of India with regard to protection of industries since 1922 when the last Fiscal Commission was reported; and

(2) To make recommendations as to:

(a) The future policy which the Government should adopt in regard to protection to and assistance of industries and the treatment and obligations of the industries which may be protected or assisted;

(b) The machinery required to implement such policy; and

(c) Any other matter having a direct bearing on the effective implementation of this policy.

(3) In considering these issues the Commission will be free to distinguish between short-and long-term aspects of the problems and also advise in the light of the country's requirements how far it would be desirable to undertake international obligations of the kind involved in the General Agreement on Tariffs and Trade or Charter of the International Trade Organization.

## CONTENTS

Volume I: Book I—Introduction and Approach; Book II—Historical Retrospect; Book III—Patterns of Economic Development; Book IV—Fiscal Policy and Industrial Development; Book V—Other Factors in Industrial Development; Book VI—Organization and Machinery of Administration; Book VII—Fiscal Policy in Relation to International Obligations; Book VIII—Conclusion; Appendices from I to XIII.

Volume II: Evidences.

Volume III: Evidences.

Volume IV: Annexures.

## FINDINGS AND RECOMMENDATIONS— SUMMARY

### BOOK I

#### Introduction And Approach

This Chapter is purely introductory. In it we elucidate our general approach to the question referred to us, viz., the place of protection and other forms of assistance in a co-ordinated policy of economic development, and explain the plan of the Report.

We consider it necessary to preface our enquiry with an enunciation of the fundamental objectives of the country's economic policy because it is only against their background that any policy for protection of or assistance to industries can be adequately formulated.

The fundamental objectives of an Economic Policy for India must conform to the "Directive Principles of State Policy" as laid down in the Constitution and the Industrial Policy Statement of 1948 and should be broadly as follows:

(1) avoidance of unemployment, or underemployment through the achievement and maintenance in each country of useful employment opportunities for those able and willing to work and of a large and steadily growing volume of production and effective demand for goods and services;

(2) sound, efficient and fuller utilization of natural resources;

(3) steady and progressive increase in standards of productivity, elimination of sub-standard conditions of labour and the creation of incentives that will stimulate enterprise;

(4) special measures for the development of agriculture, including animal husbandry, on modern scientific lines for the production of food and of essential raw materials for industries (cotton, jute, etc.); for the establishment and development of industries for the processing of domestic primary commodities;

(5) special measures for the development of cottage industries and small-scale industries on co-operative or individual lines;

(6) ensuring that large-scale industrialization occupies a prominent place in any programme of development as capital equipment and modern techniques can make a notable contribution to increases in production, productivity and standards of living—in this field a mixed economy is indicated;

(7) the introduction of a diversified economy which would lead to a better utilization of the diversified talents of the community and its diversified human and natural resources and would enable the population to lead a full and a richer life than would otherwise be attainable.

In implementing these objectives, we recommend that early attention should be given to the following problems:

(a) A close study of the problem of population;

(b) The need for enlisting popular enthusiasm in economic development plans.

As a preliminary to (a), we recommend the constitution of a small expert committee to review the population data available to suggest what additional information should be collected to study the trends in population growth.

### BOOK II

#### A Historical Retrospect

We have examined the changes that have taken place in different sectors of the country's economy—agriculture, industry and foreign trade—as a result of the following factors:

(a) The Great Depression of 1929-33;

(b) The separation of Burma;

(c) World War II; and

(d) The partition of India, 1947.

Our review of the changes that have taken place since 1923 reveals that in spite of the advances made in some lines of manufacture, the deficiency in the different sectors of the country's economy still remains considerable and a great effort will be needed to make up the leeway in the country's agricultural and industrial production.

Our finding is that so far as the pre-War Tariff Policy is concerned, it can be claimed that the policy of discriminating protection within its limited scope has achieved a fairly large measure of success and that on balance the direct and indirect advantages to the community resulting from the protection granted to the major industries which received it have offset the burden on the consumers.

The results of protection granted since 1945 to the new industries are, however, less conclusive. We find that the burden of protection of some of these war-time industries on the consumers has not yet been appreciably reduced. It is, however, too early to express any views on the success of the Policy of Protection in respect of these industries.

### BOOK III

#### Pattern Of Economic Development

We are convinced that in formulating a development policy for India, we should keep in the forefront the basic significance of agriculture in the country's life and economy.

The solution of the problem of underemployment in agriculture has to be sought in the concurrent adoption of a two-fold programme:

First, rationalization of agriculture, i.e., maximization of production in terms of yield per acre by steadily improving agricultural methods and promoting an intensive system of mixed farming, and

Secondly, drawing away the surplus forces from land into industries—an occupation subsidiary to agriculture, cottage and small-scale industries, large-scale industries and tertiary occupations.

The main problem in agricultural development is how to evoke the enthusiasm of the agriculturist for plans for the betterment of his condition.

The greatest need at present in India is an extension service with the object of bridging the gap between research and the practices of producers, similar to those which have been found so valuable in the U.S.A., the U.K., etc.

An important role should be assigned in future plans to industries subsidiary to agriculture and cottage and small-scale industries and a radical change should be effected in their technique and organization by continuous research and in other ways to enable them to meet the increased demand for profitable employment that will be made on them. It should also be laid down that in regard to industries in which certain processes can be suitably "decentralized" these processes should be carried on in small-scale establishments, allowances being made for the private and social costs involved. There should also be a much wider recognition than at present of the opportunity for profitable employment afforded in fairly developed economies by tertiary occupations.

The process of industrialization in this country, seen in its true perspective, is basically a problem of the reorganization of India's occupational pattern. Whether this process should take the form of cottage, small-scale or large-scale industries will depend primarily on:

- (a) the nature of the industry;
- (b) the technological character of the industry;
- (c) the relative proportion of capital and labour needed for the organization of the industry;
- (d) the extent to which decentralization in production in small units is economical on the basis not merely of its private cost but also of its social cost; and
- (e) the rate at which it is desired to effect a change in the occupational pattern.

The case for cottage and small-scale industries rests fundamentally on the "employment aspect" and that its true place in the economy of the country is determined by the relative importance of their private and social costs in relation to similar costs of large-scale

industries. We elucidate this argument in paragraphs 102—104.

The rural industries that can be most economically developed are primarily those that depend on the produce of agriculture (including forests) and the manufacture of utility articles of common consumption that do not call for intensive physical effort or the exercise of a high degree of skill or complicated technical processes. The absence of electrical power in the village will, for many years, compel the rural industries to depend on other forms of motive power, e.g., steam or oil engines.

State initiative and assistance should play an important part in the promotion of cottage and small-scale industries. In our view in each State there might be set up a statutory corporation aided by the State Government to be in charge of the measures which should be adopted for stimulating the growth of cottage and small-scale industries.

In cases where no conflict exists between large-scale cottage and small-scale industries, we recommend that the detailed investigations which were promised in the Industrial Policy Statement should be pressed forward with the utmost expedition and a programme of action should be drawn up as early as possible in consultation with all the interests concerned.

Where, however, large-scale industries compete with cottage and small-scale industries and it is established that the latter deserve support against the competition from the former, we recommend that the Government should take such steps as may be necessary to safeguard the position of the latter after consultation with the interests affected, till such time as they are able to stand on their legs.

On a study of the natural and mutable factors of production we conclude that the pattern of industrialization in India will follow broadly on the lines of development in countries such as East Continental Europe, China and Japan and that within the limits set by these basic factors, the pattern of India's heavy industries will be determined by the natural advantages which its iron and steel industry enjoys.

The broad picture of the development of large-scale industries that emerges from our analysis is briefly as follows:

(i) Defence industries, including not only the industries concerned with the manufacture of arms, ammunition but also a large number of other highly-skilled ancillary industries like aircraft manufacture, wireless communications, cables, etc., which will serve not only defence but also civilian requirements;

(ii) Heavy key industries whose products are of such importance that any interference with the supply such as might arise from a cessation of imports would bring other industries to a standstill, e.g., industries

for the manufacture of transportation equipment, rolling stock, wagons, etc.; ship-building to the extent that it provides the nucleus of a merchant marine, etc.;

(iii) Heavy basic industries, which provide the foundations of many other capital goods as well as consumption goods industries, e.g., iron and steel industry, machine tools industry, automobiles, tractors and other heavy machinery;

(iv) Light basic industries, e.g., some important chemical industries, whose products are essential for the manufacturing processes of other industries, e.g., caustic soda, non-ferrous metals, electro-chemical engineering, agricultural implements, prime movers, etc.;

(v) Essential consumption goods industries with a nation-wide market, e.g., cotton and woollen textiles, cement, sugar, paper, etc.

We recognize that it may not be possible for India to achieve the pattern of development envisaged above, and it may be necessary to proceed step by step on the basis of an order of priorities. On the assumption that there will be planned policy we suggest the following order of priorities for the public sector:

(i) Essential defence industries;

(ii) Industries connected with the development of natural resources, e.g., water-power, i.e., the multi-purpose projects and key minerals like coal and petroleum;

(iii) Public utility industries, e.g., railway transportation, electric power generation (where it is State-managed), etc.;

(iv) Heavy key and basic industries which in the absence of private enterprise the State may have to initiate and develop.

In the private sector the following priorities may be observed:

(i) Increase in production in existing undertakings up to the maximum of their installed capacity;

(ii) Expansion of existing industries up to the limits of effective demand in their market with special reference, wherever possible, to export markets;

(iii) Establishment and development of industries which are complementary to existing industries in the public or the private sector, e.g., industries which manufacture components of other industries or which carry the processes of production a stage nearer final consumption;

(iv) Establishment of such industries as are related to existing industries and may increase the external economies resulting from the establishment of a group of connected industries;

(v) Establishment of industries catering for a large market, internal and external, rather than those satisfying a limited or specific demand.

One important problem on the future pattern of large-scale industries requires special consideration, namely, location of industries. The site for many industries is predetermined by the nature of their requirements of raw material, labour supply, water supply, and other services that can be provided elsewhere only at a higher social cost. In the case of other industries which are more mobile, various factors will have to be taken into account before the location can be planned. These will include: (i) security factors, (ii) sources of raw material and power, (iii) labour supply, (iv) communications and transport facilities, (v) distance from the consuming centres, and (vi) the existence of related industries.

We recommend that in planning the location of industries it will be prudent for the Government to rely, in the first instance, on negative measures to prevent the further concentration of industries in areas which are already overcongested. Simultaneously positive steps might be taken to improve the attractiveness of areas where, from the social point of view, it is proposed to encourage migration of existing or new industries. The extent to which the agency of trading estates on the lines of those in the U.K. may be utilized for this purpose merits careful study.

We further recommend that, subject to the criteria laid down, the processes of decentralization of large-scale industries and the establishment of large-scale industries in rural areas should be encouraged.

Having regard to the available capital resources and technical ability we do not think that it is possible to achieve a more intensive pattern of large-scale industrialization than that visualized in this Chapter except through a measure of austerity or regimentation which in the circumstances of this country we consider it extremely difficult to enforce.

The aim of a short-term foreign trade policy should not merely be to achieve equilibrium at an easily attainable level but to create conditions in which current foreign exchange receipts are sufficient to pay for the volume of imports necessary:

(i) To carry out a production plan based on the most efficient use of existing productive resources and plant capacities;

(ii) To achieve a predetermined programme of investment in essential replacements, re-stocking and in essential new lines of manufacture; and

(iii) To maintain a predetermined level and structure of current consumption.

In order to attain these objectives, it is necessary to attack the balance of payments position both on the demand and supply side. These measures will include:

(i) Monetary, budgetary and other economic measures designed to achieve internal economic stability, i.e., what are known as "disinflationary measures".



(ii) Exchange rate adjustments, i.e., devaluation of the currency;

(iii) Bilateral or regional trading arrangements; and

(iv) Adjustments in the structure of production.

The object of the country's long-term foreign trade policy should be:

(i) to direct these short-term developments along channels which will eventually enable the country to consolidate its position in those fields;

(ii) to promote a pattern of import trade by means of which India can obtain the foreign resources necessary for the development of its agriculture and those cottage, small-scale and large-scale industries which it may wish to develop according to the patterns of development foreshadowed in the previous chapters;

(iii) to promote a pattern of export trade (i.e., in volume, composition and direction) that will enable India (a) to pay for its essential imports, (b) to specialize in those exports in which it may have a comparative advantage and (c) to direct its export trade to those markets in which it will have the least difficulty in maintaining its hold against competition from other countries.

To create conditions necessary for bringing about the desired changes in the pattern of export trade, a national shipping policy and the establishment of Indian banking and insurance houses require special mention.

**Development of Agriculture**—Without the initiative and sustained assistance of the State, there is little likelihood of any substantial improvement in the standards of living of cultivators. This means that for many years to come the resources of the State would have to be devoted in a large measure to these purposes and the Central Government should supplement the efforts of State Governments by assisting them specially in regard to multi-purpose and large-scale irrigation schemes.

**Small-Scale Industries**—State policy in regard to development of small-scale industries will be concerned with the following:

(i) The types of activities associated with the improvement of their production and marketing methods. These activities will include all forms of assistance to existing cottage industries, whether in urban or rural areas, to such small manufacturing units as operate in rural areas and to all small-scale establishments in urban areas. These different types of cottage and small-scale industries will necessarily require different forms of administrative organization. Appropriate organization would need to be set up not merely for specific purposes, e.g., supply of raw materials, supply of finance, provision of marketing facilities, but also to deal with special problems of different types of cottage and small-scale industries in respect of their requirement of these facilities.

(ii) Another major field of State activity will centre round the establishment and administration of new small industries in rural areas that may be set up in conformity with the pattern of development that we visualize. It will be the responsibility of the State to set up the right type of organizations for this purpose. Organized trade and industry might no doubt help but this will be forthcoming mostly in a consultative or advisory capacity and for specialized ad-hoc services.

(iii) There is a third type of activity that the State will have to undertake in this connection. It will have to regulate the relations between cottage and small-scale industries on the one hand and large-scale industries on the other, and to integrate their production and distribution patterns according to the broad principles that we have suggested. Clearly this function of the State will have to be discharged in consultation with the interests concerned and with the object of maximizing economic welfare.

**Large-Scale Industries**—In regard to the large-scale industries, State policy will be primarily concerned with:

(i) various forms of assistance that the existing organized industries will require. Here the role of the State will be to arrange for such necessary supplies and services as cannot be obtained without State assistance and to ensure their equitable distribution so that production may be maximized and quality ensured;

(ii) establishment under the control and management of the Government of all such industries in the nationalized sector as it may decide upon;

(iii) encouraging the establishment of such key or basic industries as need to be promoted and fostered in conformity with the desired pattern of industrial development;

(iv) giving facilities necessary for the establishment of other industries in the private sector.

**Foreign Trade**—As regards foreign trade, the role of the State in the short period will be to exercise control over imports and exports so as to solve the balance of payments problems. In the long period in order to promote the patterns of industrial development outlined in the report, the State may have to regulate the volume and composition of import trade in the interests of India's industrialization policy and also to encourage actively the development of new lines of export. The forms of regulation and assistance will depend on developments in national and international policy. One of the impediments in the way of efficient execution of State policy is the weakness of the present administrative machinery.

In the long run the country should be able to solve the dilemma arising out of the urgency of planned development and the shortcomings in the administrative machinery. In the short period it will be forced

by these very limitations to regulate the pace and direction of advance and keep it within the limits set by the capacity of the available administrative machinery. The Government will have to concentrate in the earlier years on the most essential tasks including in this the "creation of an administrative machine that can do work of planning".

## BOOK IV

### Fiscal Policy And Industrial Development

Tariff protection is primarily a means to an end—one of the instruments of policy which the State must employ to further economic development of a country. The protection of industries should be related to an overall planning of economic development—otherwise there may be unequal distribution of burden and un-coordinated growth of industries. However until such a plan has been approved, protection to industries should continue to be granted on the principles given below:

A. Industries coming under the planned sector immediately may be grouped under the following classes:

- (1) Defence and other strategic industries;
- (2) Basic and key industries; and
- (3) Other industries.

Industries falling under group (1) should be protected, whatever the cost may be, on national considerations. Regarding basic and key industries coming under the plan, the Tariff Authority will decide the form of protection and the quantum thereof and will:

(i) lay down terms and conditions for the grant of protection or assistance; and

(ii) review from time to time the extent to which these conditions have been or are being complied with by the industries.

As regards the third category, we recommend that the criteria to be applied for granting protection should be as follows:

"Having regard to the economic advantages enjoyed by the industry or available to it and its actual or probable cost of production, it is likely, within a reasonable time, to develop sufficiently to be able to carry on successfully without protection or assistance and/or it is an industry to which it is desirable in the national interest to grant protection or assistance and, having regard to the direct and indirect advantages, the probable cost of such protection or assistance to the community is not excessive."

B. As regards industries which are not included in approved plans, the Tariff Authority should examine the claim for protection on the criteria set out above and submit its recommendations to the Government.

C. Where no approved plan exists, the position should be as follows:

- (i) Defence and other strategic industries—they

should be given protection, whatever the cost may be, on national considerations;

(ii) As regards other industries, the criteria to be applied will be the same as those set out in A above.

### Some Specific Issues Of Protectionist Policy:

(a) Availability of Raw Materials—Local availability of raw materials should not be a condition for the grant of protection if the industry possesses other economic advantages, e.g., internal market, availability of labour, etc.

(b) Potential Export Market—It seems to us legitimate to take into account a potential export market in order to determine the comparative advantages of an industry vis-a-vis its rivals.

(c) Ability of an Industry to meet the Domestic Demand—Although ordinarily a protected industry should be eventually able to satisfy the needs of the entire domestic market this should not be laid down as a condition of grant of protection and in the short period it would suffice for the Tariff Authority to consider the potentialities of the industry for expansion so as to cover a sizable portion of the internal market within a reasonable period of time.

(d) Protection to Industry which produces the Raw Materials or Stores of other Industries—Industries using the products of protected industries may require compensatory protection. The type of compensatory protection that may be needed in a particular case will depend on (a) the type of raw materials or stores produced; (b) the nature of the additional burden likely to be imposed; (c) the proportion that the cost of raw materials or stores bears to the total cost of manufacture of the finished product; and (d) the nature of demand for the finished product and other connected considerations.

(e) Protection to New or Embryonic Industries—The need for an assurance of protection prior to the actual establishment of an industry is particularly strong in those industries which require heavy capital outlay or a high degree of specialization in personnel, and plant equipment and are likely to be subjected to intense competition from well-organized and established producers abroad. In such cases we recommend that the Tariff Authority should be asked to examine the facts and estimates relating to the industry and the nature of foreign competition that it is likely to encounter and then advise the Government as to the protection or assistance needed by the industry in the light of the conditions laid down in paragraph 161.

(f) Agricultural Protection—We recommend that, if national interests so require, agricultural products may be protected but in granting such protection it should be stipulated that:

(1) the number of commodities should be kept as small as possible;

(2) the principle of selection should be (a) the importance of the raw materials of industry that they provide; and (b) the volume of employment that they offer;

(3) protection should be on an interim basis limited to short periods—never more than five years at a time;

(4) a programme of agricultural improvement must accompany the scheme of protection and form an integral part of it; and

(5) it should be the special responsibility of the Tariff Authority to report to the Government annually on the progress of technological improvements in the production of these commodities.

#### (g) Internal Taxation and Protection:

(i) Central Excises—On broad grounds, the levy of Excises on protected articles is inadvisable and it should be resorted to only where it is needed for budgetary purposes and no alternative sources equally suitable are available;

(ii) Sales Taxes by States—Most of the complaints which we heard regarding the imposition of Sales Taxes should be removed under the provisions of Article 286 of the Constitution which regulates the levy of Sales Taxes by the States;

(iii) Levy of Cesses—The levy of cesses for promoting research is unobjectionable so long as the rates are moderate and the whole of the tax is actually spent on research and not diverted to other purposes;

(iv) Fixation of Prices of Raw Materials—We consider it legitimate that the Central Government should fix the prices of raw materials of protected industries by Central legislation whenever such price fixation becomes necessary. Legislation by individual States for this purpose leads to difficulties.

Tariffs—The form of import duty to be imposed in a particular case will depend on the nature of the commodity and the administrative problems involved in the appraisal of value for Customs purposes.

We suggest that a Development Fund should be created by setting aside every year a portion of the revenue collections from protective tariffs. With such a fund, subsidies, in lieu of or in addition to protective tariffs, can be given more freely than is possible under the budgetary conditions of the present. We also recommend that a strong "after-care" organization to provide facilities necessary for rapid development of protected industries may be set up in the appropriate Ministry.

Quantitative Restrictions—We recommend that for purposes of protection to domestic industries, in normal cases quantitative restrictions should be used sparingly. Temporary quantitative restrictions would, however, be justified against abnormal imports.

Subsidies—As a general rule subsidies would be preferable to tariff protection in the following cases:

(i) where domestic production meets only a small fraction of domestic demand;

(ii) where the commodities are essential raw materials or ingredients of production; and

(iii) where the manufacture of certain quantities or grades of commodities produced in the country needs protection but it is difficult for purposes of levy of import duty to distinguish those grades or qualities from others against which no protection is needed.

Pooling is applicable only to commodities of a highly standardized nature. We recommend that the Tariff Authority should examine cases where pooling arrangements would eventually reduce the burden on the consumer.

Tariff Quota—It is difficult, on *a priori* grounds, to decide on the particular stage of development of an industry at which such a scheme would be suitable. In certain cases where the initial capacity of the industry to supply the requirements is low the tariff quota assures the consumer of the availability of sufficient supplies. It also puts a premium on efficiency and rapid progress thereby guarding against the formation of local monopolies to exploit a situation where imports are rigidly restricted by quantitative restrictions.

Quantum of Protection—In determining the cost of production of a commodity, we consider it necessary for the Tariff Authority to lay down uniform and standardized rules.

We understand that the question of depreciation allowance is under the examination of the Government of India. We would emphasize the importance of an early decision.

We also suggest that a standardized practice might be evolved by the future Tariff Authority in consultation with all interests in the industries concerned regarding the remuneration to be allowed to managing agents for purposes of calculation of costs.

The entire subject of the return on capital in protected industries and the valuation of the capital employed or the block on which such return is to be allowed should be subject to detailed investigation by the Tariff Authority. We need not add that this return on capital should be fair.

We consider that where an element of prejudice is established, the Tariff Authority should add an appropriate margin to the quantum of protection proposed for the industry.

Period of Protection—As a general principle industries should be assured of protection for a reasonably long period so that capital may be attracted and a suitable programme of improvements may be drawn up and implemented.

**Administrative Protection**—We consider restrictions, etc., under the Sea Customs Act for purposes of protection unjustifiable not only from the point of view of international relations but also because their use conceals the true character and burden of protection to the community.

**Stores Purchase Policy**—The stores purchase policy of the Government should be so framed that the indigenous industry receives a reasonable margin of preference over foreign articles. For this purpose we lay down the following conditions:

(1) All industries run on sound business lines should be eligible for preference on condition that the products conform to such specifications as may be laid down by the Government on the recommendations of the Indian Standards Institute.

(2) A higher margin of preference should be given to the products of cottage and small-scale industries and conforming to such specifications as may be laid down for them.

The obligations of protected industries should mainly be with regard to price policy, production or output policy, quality of production, adoption of technological improvements, research, training of apprentices and higher grades of labour and anti-social activities.

It is not our view that the obligations regarding these matters should be embodied in the relevant Statutes dealing with protected or assisted industries as this would introduce a needless element of rigidity into the working of the schemes of protection. The plan of implementation that we visualize is broadly as follows:

(i) These obligations should be treated as Directive Principles of Tariff Administration and should be embodied in the Statute dealing with the establishment of the tariff-making authority. These principles will not, however, be "enforceable" in the juridical sense but it should be the duty of the Tariff Authority to bear them in mind when they examine the claims of protection of particular industries.

(ii) Having made up its mind as to the obligations that should be imposed, the Tariff Authority should work out the conditions subject to which the obligations should be imposed. A programme for implementation should also be worked out.

(iii) (a) The Tariff Authority should report to the Government in its periodical reviews the manner in which the obligations are being discharged by the protected industries;

(b) The difficulties that hamper the discharge of these obligations;

(c) The further measures necessary to secure enforcement of the obligations; and

(d) The changes in the terms of obligations, if any, that may be called for.

## BOOK V

### Other Factors In Industrial Development

The difficulty of securing investable funds for financing industrial undertakings has become acute since the beginning of 1947. The major handicaps to capital formation are stated to be as follows:

(a) Fear of nationalization;  
(b) High level of taxation;  
(c) Abuses of Managing Agency system;  
(d) Speculation leading to gambling at Stock Exchanges; and

(e) The shift in the distribution of national income from urban areas to rural areas.

Remarks are made under each of these heads.

We consider that capital control in its present form should be abolished. As, however, the Planning Commission has now been appointed, a new machinery may be devised for directing capital into approved channels.

On a study of some recent estimates of the rate of savings and investment in India we conclude that India's minimum requirements of capital expenditure will be roughly of the order of Rs. 330 crores a year at the current level of prices. We find that it may be difficult for the country to achieve a higher rate of savings and investment unless coercive measures are adopted and the people are subject to a degree of austerity in current consumption which it may be very difficult in practice to enforce.

The consensus of opinion is that, as a general rule, foreign capital should be invited for

(a) Projects in the public sector of the economy which depend on the import of capital goods, plant, machinery, equipment, stores, etc., from abroad;

(b) Undertakings in the private sector which involve new lines of production and where indigenous capital and management are not likely to be forthcoming.

We are in general agreement with this view but would stipulate that in special cases where the quantity of domestic production is small in relation to the total domestic demand and the indigenous industry is not likely to expand at a sufficiently fast rate, there should be nothing to prevent the Government from inviting foreign capital on such terms and conditions as they may lay down.

Broadly speaking the indirect form of investment is preferable when foreign capital is needed only to pay for foreign machinery and equipment and the type of consultant service that is provided by the manufacturer of such equipment. The direct or equity form of investment is more appropriate in those cases where, besides capital, the technical know-how of the foreigner or his technical knowledge or experience is also needed.

The problems of industrial management have acquired increasing importance since the end of the War. The circumstances of modern industry require the assistance of experts at all stages of industrial management. We find that the deficiencies of private industry in this country—particularly small-scale industry—arise from lack of expert guidance and supervision. We, therefore, recommend that the Government of India in the appropriate Ministry should set up a bureau of consultants whose services can be drawn upon by private industry on such terms and conditions as the Government may lay down.

We also recommend that particular care should be taken by industries to appoint duly qualified technical men and to train suitable men for such positions. The types of expert service that we feel our industries should develop are those connected with plant capacity and production control, stores and organization control, raw material control, quality control and costing.

**Industrial Management in the Public Sector**—The growing importance of the Public Sector in India's economy and the increasing interest of the State in economic problems calls for the creation of a specialized service. We recommend that early steps be taken to constitute an Economic Service as envisaged in the Industrial Policy Statement of April 6, 1948.

The structure and conditions of working of Government or quasi-Government undertakings should be such as to ensure:

(a) That the community knows the cost of what it is doing;

(b) That the community is satisfied that this cost is equitably distributed; and

(c) That the decisions of the public authority are taken democratically.

Apart from the usual accounting safeguards and the obligation to submit periodical accounts in an approved or prescribed form, we would suggest the following measures to ensure this:

(a) A periodical review of the working of these undertakings by a competent authority with a view to assessing their efficiency;

(b) Constitution of a Consumers' Council to be attached to each Government or quasi-Government undertaking, with well-defined powers and duties which should include the study of cost statistics, price structure and price policy, enquiry into complaints from consumers about unfair practices or discriminatory treatment according to a definite procedure laid down by the Government;

(c) Constitution of a Tribunal on Services and Charges on the lines of the Railway Rates Tribunal with functions more or less similar to those of the latter.

The accounts should be maintained on a commercial

basis and audited by a competent staff. These audit notes with reviews thereof should be placed before the Minister concerned so that Parliament may be kept informed of the manner in which these undertakings are working and their cost to the community.

We further recommend that having regard to the increasing importance of the subject, the Government should have special studies made of the problems of management of Government and quasi-Government undertakings in the light of the experiences which countries like the U.K., Australia, Canada and the U.S.A. have acquired.

**Industrial Research**—Organized industrial research in this country is of comparatively recent growth. There are two aspects of research which deserve special mention:

(1) Establishment of Industrial Research Institutes should be the joint task of the Government and the industries.

(2) Work of the Research Institutes organized by private industries should be integrated with the activities of the Research Institutes established or administered by Government or quasi-Government authorities.

**Standardization and Quality Control**—We are in general agreement with the principles evolved by the Indian Standards Institute in prescribing standards for various articles. There is a prima facie case for making observance of the approved standards obligatory on the industries concerned—at any rate on those industries which have a large export market or which provide the raw materials of exportable commodities.

There are indications that in recent years there has been an appreciable fall in labour efficiency and this presents a problem that must be tackled in a co-operative spirit by the Government, industry and labour.

The solution of the problem of deterioration in labour efficiency rests in the short period on an effective machinery for collective bargaining and arbitration and sound employer-labour relations and in the long run on training and education and on the far-reaching management of business undertakings.

**Training of Labour**—One important lacuna in our scheme of technical training is the lack of facilities for training of technicians of the foreman class. To remedy this drawback, Technical Institutes on the model of the one recently started by the Indian Jute Mills' Association should be extended to other industries also.

**Transport:** (a) Roads—While we appreciate the reasons for the importance attached to national highways, we feel that one consequence of recent policy has been to tip the balance against roads of "local" as distinct from "all-India" importance. We attach the greatest importance to the development of village and district roads. We, therefore, recommend that consist-

ent with the needs of the defence and internal security, high priority should be given to the development of district and village roads.

(b) **Railways**—We think that the question may be examined whether it would not be possible for the railway authorities to introduce rates to assist in the local or regional processing of agricultural or mineral produce and in the decentralization of industries. We also recommend that the Railway Board might examine the question of simplifying the present procedure for granting station-to-station rates.

(c) **Shipping**—We consider that the development of Indian shipping is no less important and urgent than that of the basic industries. The Government of India are already committed to a policy of assisting shipping.

(d) **Banking**—The basic limitation of commercial banking in the country arises from the absence of an effective link between the organized money-market and the moneylender-cum-indigenous bankers. Even within this limitation, the credit facilities offered by the commercial banks to trade and industry are inadequate. We recommend that the entire subject to be examined by the Reserve Bank and the Government of India, keeping in view the needs of an expanding economy, and the potential contribution of a sound credit policy to the development of trade and industry.

Another defect of the banking system in this country is the lack of specialized banking institutions, including a sufficient number of Indian exchange banks. We find that small-scale industries are in a particularly difficult situation as regards finance and recommend that the formulation of special measures to meet their requirements should engage the attention.

We further suggest that the Reserve Bank should study the modern practice in respect of Developmental Credit in countries like Australia with a view to drawing such lessons from it as may be applicable to the circumstances of this country.

## BOOK VI

### Organization And Machinery Of Administration

We examine the relations between Planning and Protection, and refer to certain fundamental issues of policy and techniques which will confront the Planning Commission in a mixed economy like ours.

Measures for securing co-ordination of the activities of the different Ministries concerned with economic matters are under consideration. In this connection we commend a suggestion for the establishment of a Board of Trade and Industry for consideration by the Government.

The Tariff Making Authority should be placed on a permanent and statutory footing and designated as the Tariff Commission.

The Commission should consist of five members

including the Chairman but power should be taken in the proposed Statute to increase the number to seven if necessary. There should also be power to co-opt assessors or advisers for particular purposes. We are definitely opposed to the representation of interests or regions on the Commission and would emphasize that members should be selected primarily on the basis of their competence for the functions which they will have to perform, coupled with their standing in their profession, business or service in which they are engaged, or in public life.

We recommend that two important conditions of membership should be:

(a) That members on appointment must disclose the nature of their interest in private companies, if any, and

(b) The members on relinquishment of their office should be debarred from holding any position of trust and responsibility in any private industrial undertaking for a period of three years except with the prior approval of the Government of India.

The following functions should be entrusted to the Commission:

(a) Enquiries connected with Protective and Revenue Tariffs. This will include:

(1) Tariff enquiries proper, i.e., enquiries into applications for protection;

(2) Enquiries into cases of alleged dumping;

(3) Enquiry into variation of protective and revenue duties; and

(4) Enquiry into Tariff concessions under trade agreements.

Enquiries under (1) and (4) should normally be initiated at the instance of the Government of India.

(b) Enquiries connected with prices and the general effects of protection on the economy of the country.

(c) Review of protected industries.

Apart from ad-hoc investigations the Commission should submit to the Government a periodical review, preferably triennial, on the working of protected industries.

In order that the Tariff Commission can perform its function efficiently, it will require special powers for the summoning of witnesses and compelling the production of evidence which it considers essential.

We consider that the Commission's enquiries into the various matters enumerated in paragraph 269 should normally be held in public.

As soon as an enquiry is completed, the Tariff Commission should submit its report to the Government of India in the appropriate Ministry and the Government should be in a position to arrive at a decision on the recommendations of the Commission ordinarily within a period of two months.

We recommend that the authorities concerned with the grant of non-fiscal assistance should give special attention to it and furnish to the Tariff Commission an annual statement on the measures of the assistance given.

The Commission should be given powers to frame its own rules regarding the internal management of its business including the appointment of personnel up to a certain level, rules of business relating to enquiries, review of the effects of protection and other matters.

## BOOK VII

### Fiscal Policy In Relation To International Obligations

We analyse the provisions of the Havana Charter with particular reference to the sections dealing with Commercial Policy, Restrictive Business Practice, and Economic Development and Reconstruction in underdeveloped areas.

We examined the pros and cons of the Charter and find that in the short period (i.e., as long as the present Balance of Payment difficulties continue) the provisions of the Charter will, in practice, hardly impose any serious limitation on India's freedom to mould its commercial policy in the interests of its domestic economy. In the long run, however, the obligations which the Charter imposes on the members may detract from their right to initiate and pursue commercial policies solely in the national interest. The decisive consideration for the country is, therefore, whether or not it should submit to this limitation on its sovereign rights for such advantages may accrue to it by reason of its membership of the International Trade Organization.

On a consideration of all the relevant factors and consistent attitude which India has hitherto adopted towards measures of international economic co-operation, all of us, except our colleague, Shri B. M. Birla, recommend that India should ratify the Charter provided:

(1) That the other countries of major economic importance including the U.S.A. and the U.K. have by then ratified it; and

(2) The economic conditions in the country at that time justify this course.

In making this recommendation to the Government we reiterate our hope that the provisions of the Charter concerning the economic development of the underdeveloped countries of the world will be interpreted liberally by the leading industrially advanced countries of the world.

We analyse the tariff concessions granted and received by India under the General Agreement on Tariffs and Trade and find that no definite conclusions as to the effect of these concessions on India's import

and export trade can be drawn from the relevant trade figures.

On general grounds, however, and having regard to our attitude towards the Havana Charter, we consider that it will not be to India's benefit to keep out of the General Agreement on Tariffs and Trade till the future of the International Trade Organization is definitely known. The existing principles for negotiating tariff reduction appears to be sound and we suggest that in all future negotiations the following principles should also be borne in mind:

First, in regard to the tariff concessions to be received from other countries, India should concentrate on:

(a) Commodities which meet with competition from similar commodities from other countries in the world market;

(b) Commodities which meet with competition from possible substitutes from other countries in the world market;

(c) Manufactured commodities rather than raw materials.

Secondly, in the matter of granting tariff concessions, India should concentrate on :

(a) Capital goods;

(b) Other machinery and equipment;

(c) Essential raw materials.

We also make three further suggestions:

(1) The special export requirements of the unorganized cottage and small-scale industries, which depend on the foreign market to a large extent, should be borne in mind when India enters into trade negotiations with foreign countries. It should be the particular aim of India's representatives to secure for them the maximum of tariff concessions in the foreign market and to safeguard their position against competitive imports from abroad.

(2) A close watch should be kept on the course of trade in GATT items, and half-yearly trade returns should be published within six weeks of every half-yearly period.

(3) Before any fresh negotiations are started, the representatives of trade, industry and other interests concerned should be consulted as regards the nature of the concessions that India may claim from other countries and of the reciprocal concessions that the other countries, in their turn, may demand of it.

We find it difficult to assess the effects of the Indo-British Trade Agreement of 1939 on the trade between India and the U.K. because (a) the relevant trade returns are available only for a period of six months after the execution of the Agreement till the War broke out and (b) during the War and post-War years the effects of the Preferences granted and received by India were masked by the restrictions on imports and exports

imposed during the War and continued in some form or other ever since.

We consider that our attitude towards this question should depend on the policy that the Government of India have already laid down in regard to Preferences and that in the light of this policy the Government should initiate negotiations with the U.K. and Colonies for a review of the Tariff Preferences now granted to them or received by us. The continuance or otherwise of Preferences should be decided exclusively on economic considerations and on a basis of mutual interest.

## BOOK VIII

### Conclusion

In this Chapter we set out the objectives and priorities of a short-term economic policy as a basis for the formulation of a plan of action in the short period.

The objectives of a short-term economic policy are enumerated in paragraphs 327-328.

Defence and basic and key industries stand in a special position. Excluding these the priority should be as follows :

(1) Schemes for agricultural improvement especially irrigation and multi-purpose project including minor irrigation works.

(2) Industries necessary for the implementation of the agricultural programme and the construction and maintenance of irrigation and multi-purpose projects.

(3) Schemes for increased production in industries producing basic raw material and consumption goods.

(4) Manufacture and repair of the machinery and equipment needed by the industries in (3).

(5) Establishment of industries complementary to the industries in (3) and (4) and those that will increase external economies of these industries.

(6) *Pari Passu* with the developments mentioned in (1) to (5).

(a) Encouragement of tertiary industries; and

(b) Promotion of exports.

## RAILWAY JOINT ADVISORY COMMITTEE, 1949—REPORT

New Delhi, Ministry of Railways (Railway Board). n.d. 39p.

Chairman : Shri F. Jeejeebhoy.

Members : Shri S. Guruswami; Shri Hariharnath Shastri; Shri R. A. Khedgikar; Shri P. K. Chatterji (As regards Railway Representatives, there were changes from time to time and Shri R. Ramaswami Ayyar; Shri K. P. Mushram; Shri P. N. Saxena; Shri S. S. Gore; Shri M. E. Bartely; Shri K. S. Bhandari; Shri Y. P. Kulkarni; Shri V. T. Narayanan served on the Committee for varying periods).

Secretary : Shri Y. P. Kulkarni (replaced by Shri V. T. Narayanan).

### APPOINTMENT

The Railway Joint Advisory Committee was constituted under the Ministry of Railways in May, 1949.

### TERMS OF REFERENCE

The acceptance of the Central Pay Commission's recommendations by the Government not only liberalized the wage structure of the Indian Railways but also introduced considerable standardization in the large

number of grades, denominations and rules which had been evolved in nearly 100 years over the various Railway systems. Inevitably, in this process a number of anomalies arose and were brought to the notice of the Railway Administrations by representatives of organized labour.

### CONTENTS

Introduction; A Review of the Committee's Work; Recommendations Affecting Large Bodies of Staff; Recommendations Affecting Smaller Bodies or Numbers; Appendix.

### RECOMMENDATIONS

Recommendations Affecting Large Bodies Of Staff

The number of posts of clerks in the lowest grade Rs. 55—130 should not exceed 72½% to 75% of the total number of posts of clerks, the existing position on the B.B.&C.I. and the G.I.P. Railways being left undisturbed.

Graduates who were appointed to posts requiring graduation, before the C.P.C. scales, should be placed in the scale of Rs. 80—220.



Stores Clerks, Ledger Clerks, Travelling Store Keepers, Stores Distributors, Store Van Clerks And Store Delivery Clerks

The Principal Stores Clerks in major running sheds should be allocated to grades not lower than Rs 80—160.

Ledger Clerks should be regarded as Office Clerks and the recommendation regarding Office Clerks that 25% of the posts should be in higher grades should apply to them

The scale of pay Rs 55—130 should be abolished in the case of Travelling Store Keepers, Stores Distributors, Store Van Clerks and Store Delivery Clerks

#### Typists And Stenographers

The number of posts of Typists in the intermediate grade of Rs 80—160 should be 16% to 20% of the posts in the lowest grade of Rs 55—130

The number of posts of Stenographers in the intermediate grade of Rs 200—300 should be 16% to 20% of the posts in the lowest grade Rs 80—220

#### Accounts Clerks Class I

The scale of Rs 80—220 should be allotted to this category of staff.

The number of posts of Accounts Clerks Class I should not be less than one-third of the number of clerks in the scale of Rs. 55—130

#### Station Masters and Asstt. Station Masters

The number of Station Masters and Asstt. Station Masters in the grade Rs 100—185 shall be between 20% and 25% of the Asstt. Station Masters and Station Masters in the grade Rs. 64—170

#### Running Staff

The scale of pay of Drivers—Grade C should be revised from Rs 80-5-130-EB-8-170 to 80-5-130-EB-10-185

The scales of pay Rs 60—150, 75—105 and 60—80 as recommended by the C.P.C should be allotted to Shunters, instead of Rs. 75—105 and 60—85 at present.

The grades as recommended by the C.P.C., i.e., Rs 75—105, 60—80 and 40—60 should be adopted for Firemen instead of Rs. 60—80, 50—60 and 40—50

The scale of pay for Guards—Grade C should be revised from Rs. 60—170 to 80—170.

The scales of Rs. 60-5/2-80 and 40-1-50-2-60 for Brakesmen should be revised to Rs. 60-3-72-4-80 and 40-2-60.

The rate of Running Allowance for Drivers—Grade A should be increased from Rs 4 to Rs. 4.6 an. per 100 miles.

The rate of Running Allowance for Drivers—Grade B should be increased from Rs. 3 12 an. to Rs. 4 per 100 miles.

The rate of Running Allowance for Drivers—Grade C should be increased from Rs. 3 4 an. to Rs. 3 6 an. per 100 miles.

The rate of Running Allowance for Guards—Grade A should be increased from Rs 2 to Rs. 2.6 an. per 100 miles.

The rate of Running Allowance for Guards—Grade B should be increased from Rs 1 12 an. to Rs 2 per 100 miles.

#### Running Staff

The classification of Drivers and Guards in Ghat Sections and their allowances should be dealt with individually by the administrations concerned

Guards of Ballast Trains when personally supervising the working and loading and unloading of trains shall be paid in addition to substantive pay and Running Allowance, an Engineering Allowance per day for days on which work is done. The rate of Rs 2 8 an on the E. I Railway, and the past rate on the other Railways should continue

Guards of Main-line S.Q.T trains of the type working on the E I Railway should be given 'B' Grade

25% of the total number of posts of Brakesmen shall be in Grade 'A'.

The rate for payment for shunting performed by the train engines at terminals covered by shunting orders should be increased from 8 to 10 miles an hour.

Running Allowance for staff learning the road should be increased from 1/2 to 3/4th of the actual mileage.

Conductor Guards should be placed in Grade 'A'.

The scale of Rs 150—225 should be allotted to Motormen, instead of Rs 80—170

Assistant Guards, O.T. Rly., who are recruited with Matriculation as minimum qualification should be placed in the scale Rs.60—80 as personal to themselves.

#### Drivers And Guards

The Drivers of the following trains should be given Grade 'B'.

Passenger trains on the main line other than mail and express and excluding shuttle services.

Trains carrying passengers on main (important) branch lines but excluding shuttle services.

The classification of Guards should follow the classification of Drivers.

#### Gangmates And Keymen In The Engg. Deptt.

Gangmates in the Engineering Department should be fixed in the scale Rs. 40—60 instead of 35—50.

The prescribed scale of pay for Keymen should be raised to Rs. 35—50.

#### **Commercial Clerks And Chief Booking Clerks And Head Booking Clerks**

In the matter of allocation of posts of Commercial Clerks to the various grades, the recommendation regarding Clerks should apply. A fairer allocation of posts to the grade of Rs. 150—225 should be made.

The allocation of posts to the grade of Rs. 200—300 should be reviewed with a view to securing a fairer allocation to the grade.

#### **Travelling Ticket Examiners, Head Ticket Collectors And Ticket Collectors**

In respect of the allocation to the grades of TTEs, the percentage in the lowest category should be between 65 and 67½; in the intermediate category between 25 and 27½; and in the highest category approximately 7½. Those already in higher grades beyond these percentages will not be reduced but as wastage occurs, necessary adjustments will be made.

Head Ticket Collectors should be placed in the scale Rs. 100—185 with a few posts in the Selection Grade of Rs. 200—300.

All those on Rs. 80—160 should be in the scale Rs. 100—185.

The total number of Selection Posts of Ticket Collecting staff on all Railways in the grade Rs. 200—300 should be 75.

The number of Ticket Collectors in the lowest grade should not exceed 80% of the total number of stationary Ticket Collectors.

#### **Traffic Technical Staff**

Coupling and Shunting Porters employed in marshalling yards and big stations should be allotted Rs. 40—60, all other Coupling and Shunting Porters Rs. 35—50.

All persons performing the duties of Shunting Jemadars on all Railways should be allotted Rs. 60—75.

The word "Porter" should be replaced by some other term.

#### **Trains Clerks**

The number of posts in the scale of Rs. 80—160 should not be less than 12½% and 15% of the number in the lowest grade.

The allocation of the posts of Trains Clerks to the several grades should be reviewed with a view to securing, wherever it was justified, a more equitable allotment to the scales higher than the scale Rs. 80—160.

#### **Chargemen**

The scale of Rs. 100—185 should not be allotted to Chargemen.

If the duties and responsibilities of workmen who have been allotted Rs. 100—185 scale are found to be equivalent to those of workmen classified as 'C' on the E.I. Railway, the former shall be placed in the scale of Rs. 150—225.

#### **Staff In The Cash And Pay Department**

The scale of pay for Pay Clerks should be Rs. 80—160 instead of Rs. 60—150.

The scale of pay of Rs. 150—225 for Senior Pay Clerks should be replaced by Rs. 160—220.

The scale of Rs. 200—300 allotted to Sub-Cashiers should be changed to Rs. 200—350.

The scale of Rs. 200—300 for Asstt. Cashiers and Asstt. Treasurers should be changed to the scale Rs. 250—400.

The scale of pay of Rs. 200—300 for Asstt. Pay Masters should be changed to the scale of Rs. 200—350.

Gazetted status should be given to Chief Cashiers of such of the Railways as have Cl. III Chief Cashiers at present.

Any Pay Clerks not being in the grade applicable to Asstt. Pay Masters who supervise more than six disbursing Pay Clerks should not be in a scale lower than Rs. 160—220.

There should be single scale of Rs. 55—130 for Shroffs.

#### **Staff In The Watch And Ward Department**

Special Watch employees should be placed in the scale Rs. 40—60.

Chief Watch and Ward Overseers, B.B.&C.I. Railway; Chief Head Watchmen, B.N. Railway; and Subedars, G.I.P., M.&S.M. and S.I. Railways, who are in the scale Rs. 60—75, should be given the scale Rs. 60—120.

Sub-Inspectors, Watch and Ward, in the scale Rs. 60—150 should be given the scale Rs. 80—160 provided that persons whose duties are analogous to those of Chief Head Watchmen do not come within the enhanced scale.

Asstt. Sub-Inspectors, Assam Rly. and ex-B.A. Rly. portion of the E.I. Rly., should be given the scale Rs. 60—120 with protection to any higher scale which may have been given to any individual.

Efforts should be made to conform as nearly as possible to the general average of 65% and 35% respectively in the case of Sub and Assistant Inspectors.

The G.I.P. Rly. should review the allocation of posts to the different scales of Inspectors with a view to a fair distribution of posts to the various scales.

Armed Supervisors of Armed Guards should be placed on equal scales of pay on all Railways, viz., Rs. 40—60.

### Highly Skilled Workers And Master Craftsmen

There should be two grades for highly skilled workers, viz., Rs. 125—185 and Rs. 80—160. Master Craftsmen should be in the former grade.

### Switchmen, E.I. Railway

The scale of pay Rs. 61-3-85 should be allotted to this category of staff.

### Section Controllers

The allocation of posts of Section Controllers in the scale Rs. 260—350 and Rs. 200—300 should be revised.

### Head Signallers

They should be granted the scales Rs. 100—185 and Rs. 150—225.

### Semi-Skilled Workers

There should be an additional scale of Rs. 60-3/-75.

### Apprentice Mechanics

The Apprentice Mechanics on first appointment to a working post should be given Rs. 100—185. For purpose of promotion to the grade of Chargemen, the claims of persons promoted from skilled ranks should be taken into account.

### Stores Issuers

The staff should be placed on Rs. 55—85.

### Sanitary And Asstt. Sanitary Inspectors

The scale of Rs. 55—130 for Assistant Sanitary Inspectors is not applicable and is not operative.

### Labour Welfare Advisers And Inspectors

There should be 3 scales, e.g., Rs. 260—350, 200—300 and 150—225 and should be allocated according to the duties and responsibilities.

### All Non-Gazetted Staff

The formula suggested by the representatives of labour for giving weightage for service in the matter of fixation of initial pay in the prescribed scale was forwarded to the Government for consideration.

### All Class IV Staff

The rate of daily allowance should be raised from 11 annas to 13 annas.

### Travelling Ticket Examiners

The rates of daily allowance should be increased as follows:

Rs. 55—130	Rs. 1.14 an.
Rs. 100—200	Rs. 2.14 an.
Rs. 200—300	Rs. 4.4 an.

### All Categories Of Staff

Dearness Allowance should be reviewed in accordance with the C.P.C recommendations.

Cases where substantive and officiating posts have overlapping scales and employees were fixed on the same or lower rate in the higher scale should be reviewed to see whether there was any hardship involved.

The cases of all employees of temporary departments who were appointed prior to 15-9-1945 should be examined with the object of their absorption in the regular departments. On thus being filled in any department, they shall become permanent therein even though they may continue in the temporary department for the time being.

### Recommendation Affecting Smaller Bodies Or Numbers

Asstt. Yard Foreman, E.I. Rly., should be given the scale Rs. 64—170 in place of the scale Rs. 60—150.

The proportion of posts of Asstt. Surgeons—Gr. I is inadequate on the E.I. and M.&S.M. Rlys. and should be increased.

The scale of pay for Midwives should be Rs. 60—105.

Writers (Hd. Watchmen) and Watchmen Writers, G.I.P. Rly., should be given the scales Rs. 40—60 and Rs. 35—50 so long as they hold these posts.

Crane Inspectors, S.I., should be given the scale Rs. 150—225 if their duties and responsibilities approximate to those of Chargemen on E.I. Rly. in the scale Rs. 150—225.

Gunners on the Assam and E.I. Rlys. should be given the scale Rs. 75—105 so long as the category of Gunners exists, those at present in receipt of salary above Rs. 105 being protected for their pay.

Waterworks Superintendent, S.I. Rly., should be given the scale Rs. 150—225.

The Journalist, S.I. Rly., should be given the scale of Rs. 160—220 if he is a graduate and has had two years' experience in journalism.

The category of Drivers and Cleaners wherever it exists should be given the scale Rs. 35—40.

Refreshment Room Managers should be placed in the scale Rs. 80—160.

Servers in the Railway Catering Department should be given the scale Rs. 35-1-40 in place of the present scale Rs. 30-1-35.

Pier Lascars, S.I. Rly., who are in the scale Rs. 30-1-35 should be given the scale Rs. 35—50.

The Chief Court Clerk and the Court Clerks, M.&S.M. Rly., who are in the scale Rs. 200—300 and Rs. 160—220 should be redesignated as Chief Court Inspector and Court Inspectors and given the scale Rs. 260—350 and Rs. 200—300, if they were recruited with the qualification of having been practising lawyers.

The Junior Instructors in the Sealdah Training School should be given the scale Rs. 100—185 in the place of Rs. 80—160.

Accounts Clerks of the Engineering Department, B.B.&C.I. Rly., should be given the same prescribed scale whether they work on the Broad Gauge or Metre Gauge.

A selection grade of Rs. 250—400 should be given to Teachers in Railway Schools.

Lead Burners who perform the work of Cell or Battery Fitters should be given the scale Rs. 55—130.

The Lamp Tindals and Head Lampmen on the E.I. Rly. should be placed in the scale Rs. 35—50.

In the case of the staff drafted from the signallers' group to perform the work of Telegraph Check Office Clerks, the same scale of pay should be given as applicable to Signallers, namely, Rs. 60—150.

Belt Makers and/or Mochis on B.B.&C.I. Rly. should be correctly designated and fitted in a proper scale if they were doing the work of Trimmers.

The allocation of posts of Inspectors in the Food Department, O.T. Rly., should be as follows:

3 posts (including one post of Purchase Inspector)	Rs. 200—300
6 posts	Rs. 150—225
10 posts	Rs. 100—185

The incumbents of the posts of Head Cash Witness, O.T. Rly., and Asstt. Cash Witnesses, B.B.&C.I. Rly., should have proper avenues of promotion and should not be frozen to their jobs.

The Flagmen in workshops, E.I. Rly., should be allotted the scale Rs. 35—50 or Rs. 40—60 by applying the same yardstick as was applied to Shunting Porters.

Sanitary Peons, M.&S.M. Rly., should be designated and graded accordingly if they were doing the work of Sweeper Jemadars.

Air-conditioned Coach Attendants, E.I. Rly., should be given the scale of pay Rs. 75-3-105-5-120 in place of the present scale Rs. 75-3-105.

Such non-technical Progressmen, M.&S.M. Rly., as perform semi-clerical duties such as preparation of indents, stores returns, foils return of surplus materials and issue of routine work orders on repeat-items jobs, should be placed on the minimum scale of Rs. 55—85.

One of the posts of Circle Inspectors (Ticket Branch) on Assam Railway should be placed in the scale Rs. 260—350 and re-designated as Chief Ticket Inspector.

If Dressers on the M.&S.M. Rly. have been wrongly designated as Dispensary Peons, the mistake should be rectified.

Wiremen and Linemen Fitters, E.I. Railway, should get the scale of Rs. 80—160 if they were actually supervising any skilled workmen.

The scale of pay Rs. 120—220 applicable to the

Asstt. Head Reader, E.I. Rly. Press, should be replaced by the scale Rs. 160—220.

Litho Draftsmen of the Printing Press, E.I. Rly., should be placed in the scale Rs. 100—185 if they were Draftsmen in the Engineering Department and had been brought from that department to the Press.

Two posts of Foremen in the Printing Press, M. &S.M. Rly., should be allotted the scale of Rs. 150—225 in place of the scale of pay Rs. 125—185.

Workshop Firemen (Mechanical Department), G.I.P. Rly., should get the pay and allowances applicable to Running Staff if they belong to the cadre of Running Staff.

In the case of those Telephone Operators on the S. I. Rly. who had been fixed in the prescribed scale from January 1, 1948, instead of January 1, 1947, any misapplication of rules should be rectified.

The case of the G.I.P. Rly. employee who was a Booking Clerk on January 1, 1947, and was transferred as a Ticket Collector on April 1, 1947, but did not get protection of the pay fixed as Booking Clerk on January 1, 1947, after his transfer as Ticket Collector, should be examined for any rectification of the position called for. He might also be permitted to go back as Booking Clerk if he desired unless he had already been confirmed as Ticket Collector.

The Inspector of Vegetable Gardens, G.I.P. Rly., Bombay, should be given House Rent and Compensatory Allowances under the appropriate rules if he has been properly fixed in a prescribed scale and is no longer on a contract basis.

Junior Inspectors (called Assistant Inspectors) of the Indian Refreshment Rooms, M.&S.M. Rly., should be given the scale Rs. 80—160 in place of the present scale Rs. 60—150.

The representations submitted by Messrs. Lakshmi Narain Misra and others of the B.B.&C.I., Nilmani Bannerji and Satish Chandra Gupta and others of the E.I. Rly., Mohd. Yusuf of the G.I.P. Rly., S. Dakshinamurti of S.I. Rly., and K. V. Venkata Rao of the B.N. Railway should be considered in accordance with the recommendation of the Committee relating to the distribution of the posts of Head Clerks.

The case of such categories of Railway Press Workers as have not been classified by the Railway Workers Classification Tribunal or by the Trade Test Panel, or categories claiming to be classified as Master Craftsmen or Highly Skilled, should be referred to Trade Test Panels constituted under the Award. The cases of the categories of staff shown in the Appendix should also be dealt with in accordance with this recommendation.

Wherever the work of a Cabin A.S.M. justified it, the post should carry a higher scale.

The original relative seniority of the Asstt. Carriage

Cleaner Chargemen on the S.I. Railway who had opted to become Rolling Stock Fitters when the latter were given a higher scale should not be adversely affected.

The scale of pay of Delivery Munshis in the Grainshops on O.T. Railway should be raised from Rs. 40—60 to Rs. 60—75.

If any persons in the categories of Drillers, Blasters and Furnacemen in the B.E. Shops, Manmad, G.I.P. Rly., now declared as semi-skilled, were previously getting higher pay, their scale should be protected.

If the duties of the Chargemen in the Bridge Engineering Workshops at Manmad, G.I.P. Rly., and in the Engineering Deptt. of the M.&S.M. Rly. correspond to those of 'C' Grade Chargemen on the E.I. Rly., they should be given the same scale, viz., 'C' Grade.

Muccadams in the Mechanical Deptt. of the G.I.P. Rly. should be given higher scales if they were not merely supervisors of unskilled workmen.

The Tool Issuer (Car Shed), S.I. Rly., should be allotted the scale of Rs. 55—85 if he performed, as in the past, the clerical duties which were since decided by the Railway Administration to be taken away from him.

First Grade Compositors and Ticket Printers in the Byculia Printing Press, G.I.P. Rly., should be fixed in the scale of Rs. 80—160, if they supervise the work of compositors and printers, respectively.

Senior Ticket Printer of the Accounts Press, the Section Head and the Printing Press Machine Mistry should be fixed in the scale of Rs. 80—160 if they supervise the work of Ticket Printers, Binders and Skilled Workmen, respectively.

Compositor, O.T. Rly. Press, working as Binding Supervisor, Press, should be fixed in the scale of Rs. 80—160 if he is supervising the work of skilled workmen.

The Printing Press Store-Keeper and Asstt. Store-keeper, M.&S.M. Rly., should be treated as Ward Keeper and Asstt. Ward Keeper, respectively.

The minimum scale of Engine Examiners, M.&S.M. Rly., should be Rs. 150—225 if they are doing the same type of work as is done by Engine Examiners of the B.N. and G.I.P. Railways.

Any Record Lascar on the M.&S.M. Rly., who is doing the work of a Daftry, should be designated and paid accordingly.

Tindals of Grainshops, Assam Rly., should be given the scale of Rs. 35—50 if they were supervisors of unskilled labour.

The Maintainer, Central Training School, S.I. Rly., should be given the option to revert to his previous category if he was promoted from a category now classified as Skilled and if his present post is classified as Unskilled on a reference to the Trade Test Panel.

The period during which the Steno-typists on the B.B.&C.I. Rly. worked as regular Stenographers should be taken into consideration on the fixation of their pay in the prescribed scales.

If the post of the Portuguese Customs Clerk, Marmugao Harbour, M.&S.M. Rly., was filled with the minimum qualification of being a graduate, the incumbent should be given the scale recommended by the Committee for graduate clerks, viz., Rs. 80—220.

The scale of pay of Senior Clerk, Marmugao Harbour, should be determined in accordance with the recommendation of the Committee on the distribution of the posts of Head Clerks.

The scale of pay of the Shed Manager and his Asstt. Trains & Claim Clerk, M.&S.M. Rly., should be reviewed in accordance with the Committee's recommendation on the distribution of posts of Commercial Clerks.

The case of the Asstt. Workshop Instructor, Alam-bagh, E.I. Rly., should be examined with a view to fixing his pay in the prescribed scale of Rs. 200—300, if he was on the post-1931 scale of Rs. 200, fixed.

One of the three posts of Fire Inspectors on the Assam Railway should be re-designated as Chief Fire Inspector and given the scale of Rs. 260—350.

The representations submitted by Mr. Bhagat Ram and others, Sub-Inspectors, Watch & World, E.P. Rly., and Mr. S. M. Khan and others, Inspectors, Watch & Ward, G.I.P. Rly., should be considered in accordance with the Committee's recommendations on the scale of pay and the allocation of the posts of Sub-Inspectors and Inspectors, Watch & Ward, respectively.

The scale of pay of Head Stenographer, B.B.&C.I. Rly., should be dealt with in accordance with the Committee's decision of the distribution of posts of Stenographers.

The work and responsibilities of the Head Calculators and Calculators, Assam Rly., should be compared with those of the Chief Computer and Computers, E.I. Rly., with a view to curing any disparity which might exist in the allotment of their respective scales.

Enquiry or Enquiry plus Reservation Clerks should be placed in the minimum grade of Rs. 100—185 and Clerks doing purely reservation work should not be put on a scale lower than Rs. 60—150.

Road Van Porters should be placed in the scale Rs. 35—40 in place of the scale Rs. 30—35 at present applicable.

The scale of pay of Rs. 100—185 should be one of the scales applicable to Ward Keepers.

The allocation of posts to the several grades in the case of Ward Keepers and Assistant Ward Keepers should be reviewed with a view to securing a fair allocation.

Apprentices should be granted House Rent and Compensatory Allowances as for Railway servants.

The principles stated in paragraph 88 of the Report of the Central Pay Commission should be observed in the matter of grant of Island, Ghat and Hill Allowances.

The question of grant of House Rent and City Allowances to staff at Delhi should be reviewed with a view to suitable increase in these allowances.

The principle applied in the case of the Running Shed staff of the E.P. Railway should be applied in the case of Running Shed staff on other Railways, i.e., the conversion of daily rate into monthly, should be on the basis of 30 5/12 days instead of 26 1/12 days.

The question of the grant of Madras City Compensatory Allowance to staff at St. Thomas Mount Station should be sympathetically considered as an exception to the general rules.

For purposes of promotion of Train Examiners in the grade of Rs. 80—160, the claims of Train Examiners who have been promoted from Skilled Artisans should be taken into account.

Water Softening Mistry and Head Block Fitters on E.I. Rly. should be given the prescribed scale of Rs. 80—160 if they supervise the work of skilled workmen.

The case of Tele-Communication Mechanic and M.I.C.s, Senior and Junior, should be referred to the Trade Test Panel and their scales fixed according to their classification by the Panel.

The prescribed scale of Gangmates on the Kalka-Simla Section of the E.P. Rly. should be higher than the scale of Keymen whose work they supervise.

The case of Fitters-in-Charge (Electrical) on B.B.&C.I. who claim higher scales of pay should be referred to the Trade Test Panel for classification.

The case of Ledger Keeper, T. and P. Depot, Golden Rock, S.I. Rly., who demands the scale of Rs. 80—160 should be dealt with in accordance with the Committee's decision regarding distribution of the posts of Clerks in the various grades.

The case of Print Order Reader, Printing Branch, E.P. Rly., for a higher scale should be dealt with in accordance with the Committee's decision regarding distribution of the posts of Clerks on the various grades.

The case of Cabin Staff at Howrah, E.I. Rly., who claim higher scales of pay, should be dealt with in accordance with the Committee's decision on the distribution of posts of S.M.s and A.S.M.s.

The case of Mr. S. K. Ghosh, Rationing Assistant, E.I. Rly., who claims a higher scale of pay, should be reviewed. If it was a case of promotion on transfer, he should be allowed to opt back to his previous post of Inspector; if a case of wrong fixation of pay, it

should be referred to the Railway Administration for investigation and disposal.

The case of Shunting Masters on B.N. Rly., who claim higher scales of pay, should be dealt with in accordance with the Committee's decision relating to Gunners of the E.I. Rly.

The Inspector of Casting, Kanchrapara Shops, E.I. Rly., should be given the scale of Rs. 80—160 if he supervises the work of skilled staff.

Teleprinter Operators on the M.&S.M. Rly. should be given the scale of Rs. 60—150 if they were required to be qualified Signallers.

The case of T.T.I., S.I. Railway, for a higher scale should be dealt with in accordance with the Committee's recommendation regarding the distribution of the posts of T.T.E.s.

The case of Tally Board Supervisor on the M. & S.M. Rly. for a higher scale should be dealt with in accordance with the Committee's recommendation regarding the distribution of the posts of Head Clerks.

The Asstt. Cash Witness, Ajmer, B.B.&C.I. Rly., should have an avenue of promotion and should not be frozen to his job.

The case of Senior Cabinmen, E.P. Rly., should be dealt with in accordance with the Committee's decision on the scales of pay for Traffic Technical Staff.

The case of Chief Clerk, C.M.E.'s Office, S.I. Rly., should be dealt with in accordance with the Committee's decision on the distribution of the posts of Head Clerks.

The case of Mr. Narendranath Ghosh, Clerk-in-Charge, E.I. Rly., should be dealt with in accordance with the Committee's decision regarding Commercial Clerks.

The cases of the following individuals or categories of staff should be dealt with in accordance with the Committee's recommendation relating to Commercial Clerks.

(i) Radha Krishna, Shed Clerk, G.I.P. Rly.

(ii) Chugrai Mulrai, C.G.C., Moradabad, E.I. Rly.

(iii) General Assistants working as Parcel Clerks and Booking Clerks on the E.I. Rly.

(iv) Ticket Stock Clerks, E.I. Rly.

(v) Goods & Coaching Clerks, B.B.&C.I. Rly.

(vi) Head Book-Keeper, Wadi Bunder, G.I.P. Rly.

(vii) Commercial Staff of Wadi Bunder Depot, G.I.P. Rly.

The case of Storemen of Tool Stores, Kharagpur Workshop, B.N. Rly., should be dealt with in accordance with the Committee's recommendation relating to Stores Issuers.

The case of Travelling Ticket Examiners of the Assam Railway who are in the old A.B. Rly. scale of Rs. 75—10—200 should be dealt with in accordance

with the Committee's recommendation relating to Travelling Ticket Examiners.

The case of Apprentice Mechanics, Ajmer, B.B.&C.I. Rly., should be dealt with in accordance with the Committee's recommendation relating to Apprentice Mechanics.

The case of Store-Keepers and Fuel-Keepers in Running Sheds, M.&S.M. Rly., should be dealt with in accordance with the Committee's recommendation relating to Store Clerks in major Running Sheds.

One hundred and fifty-three of the individual representations submitted to the Committee relate to alleged faulty fixation or individual application of the rules and should be referred to the Railway Administrations concerned for investigation and order.

The case of Junior Testers in the Chemist's Department, M.&S.M. Railway, should be reviewed in the light of the Board's letter No. E 48 CPC/93 dated December 31, 1948.

Store Mazdoors who do the work of countings, weighing, sorting, stacking, packing and issuing of materials should be in the scale of Rs. 35—40.

The principles contained in the Railway Board's letter No. E 49 CPC/129 dated October 10, 1949, regarding monthly rating of workshop staff should be applied to any categories other than workshop staff who are daily rated and have been similarly affected.

The anomaly involved in the change of the date of increments to October 20 in the case of the D.H. Rly. staff who have come into the State service should be cured if the fact that the date of increment has been changed from April to October was not taken into consideration in the fixation of their pay.

The scales for Housing Inspectors and Assistant Housing Inspectors, S.I. Rly., should be raised from Rs. 100—185 and Rs. 60—150 to Rs. 150—225 and Rs. 80—160, respectively.

In the case of Sub-Heads in the Accounts Department, the number of posts in the selection grade Rs. 200—300 should not be less than 10% of the total number of posts of Sub-Heads.

Block Maintainers, E.P. Rly., should be given the scale of pay of Rs. 100—185 in place of the scale of pay of Rs. 80—160 at present applicable to them.

Boring Mistries, E.P. Rly., should be given the scale Rs. 60—150 in place of the scale Rs. 55—130 at present applicable to them.

There should be two scales of pay for Record Sorters, e.g., Rs. 40—60 and Rs. 55—85 and the number of posts in the higher grade should be one-third of the total number of posts of Record Sorters. This recommendation should not nullify the decision of the Board contained in their letter No. E 48 CPC/93 dated December 31, 1948.

There should be two scales of pay for Record

Lifters, e.g., Rs. 40—60 and Rs. 55—85 and the number of posts in the higher grade should be one-third of the total number of posts of Record Lifters.

The principle recommended in respect of Record Lifters that one-third of the posts should be in the scale Rs. 55—85 and two-thirds in Rs. 40—60 should apply to the category of Record Suppliers also.

The Brakesmen on the Sealdah Division of the ex-B.A. Rly. should be treated as Repack Guards of the B.B.&C.I. Railway provided that the duties of the former are the same as those of the latter.

In the case of Head Clerks (Workshops), M.&S.M. Rly., who are in receipt of a special pay of Rs. 10 p.m. the same principle should apply for fixation of pay in the prescribed scale as applied to men who were officiating on the crucial date provided the special pay had, in fact, been given as officiating pay.

There should be an additional scale of Rs. 60—75 for Supervisors of Semi-Skilled Workmen.

In the case of the following categories of staff the scale of pay Rs. 60—75 recommended for Supervisors of Semi-Skilled Workmen should be given :

(a) Muccadams who supervise the semi-skilled workers.

(b) Tindals of Assam Railway provided they supervised the work of semi-skilled workers.

(c) Fire-Fighting Leaders of the B.B.&C.I. and G.I.P. Railways.

(d) Repacking Jemadar, E.P. Railway.

(e) Leading Firemen, Sealdah Division, E.I. Rly.

(f) Repacking Tindals.

(g) Fire-Fighting Leaders, Assam Railway, provided they supervised trained Fire-Fighting personnel.

Complaints from individuals should be sympathetically considered with a view to ascertaining whether there had been any change in the rules to justify the grant of a fresh option to change the date of coming over to the prescribed scales from January 1, 1947, to August 16, 1947, or vice-versa.

The work and responsibilities of Head Calculators and Calculators of ex-B.A. Rly. should be compared with those of Chief Computers and Computers of the E.I. Railway with a view to curing any disparity in the allotment of the scale of pay.

The scale of pay allotted to the category of Electrical Inspector, Test Room, G.I.P. Rly., should be reviewed with a view to allotting the scale Rs. 260—350 to any of the personnel whose work justified it.

The desirability of operating on the scale Rs. 250—500 for Chemists on the E.I. Rly. should be considered if circumstances justified it.

The case of Trains Inspectors, G.I.P. Rly., should be reviewed so that a higher scale than the scale

Rs. 150—225 might be allotted if the responsibilities of the staff justified it.

The case of Electricians, Grade II, S I. Rly., should be reviewed so that if their duties justified, the scale Rs. 150—225 might be allotted to them.

The amount of allowance given to Sanitary Cartmen at Kalka for the upkeep of male buffalo required for sanitation work should be reviewed with a view to bringing it in conformity with the present-day prices.

The case of Complaint Inspector, ex-B A Rly., should be reviewed so that if he was performing the same duties and had the same responsibilities as other Complaint Inspectors on the E I. Rly., the scale Rs. 150—225 applicable to the former might be replaced by the higher scale of pay applicable to the latter.

The Dy Chief Wireless Inspector, B B & C I Rly., should be given the scale of Rs. 260—350 if that scale of pay has not already been allotted to him provided that his duties are analogous to the duties of Dy. Chief Inspector, Wireless, G I P Rly.

The scale of pay of Delivery Clerk, Marmugao, M & S M Rly., should be reviewed in the light of the recommendation of the Committee relating to Commercial Clerks if he is a Commercial Clerk.

The scale of pay allotted to Time Recorder, B N. Rly., should be reviewed on the basis of the orders in the Board's letter No E 48 CPC/93, dated December 31, 1948.

The case of Yard Foremen, Marmugao, M & S M. Rly., should be reviewed so that if their work justified, a scale of pay, higher than the one at present applicable, might be allotted.

The allocation of posts to the grades of Senior and Junior Accountants and Senior and Junior Inspectors of Station Accounts on the S I. and M & S M. Rly. should be reviewed to bring it in line with the general pattern of allocation on other Railways.

The case of Sand Blasters should be given fresh consideration from the point of view of the nature of their occupation so as to remunerate them appropriately.

The allocation to several grades of Head Train Clerks should be reviewed so as to secure a more equitable allotment to the scales higher than Rs. 80—160 wherever justified.

The allocation of two Yard Foremen on the B.B. & C.I. Rly. should be reviewed with a view to giving them a higher scale, if justified.

The case of Asstt. Checkers (Stores Deptt.), S.I. Railway, should be reviewed with a view to considering whether any higher scale than the present one, e.g., Rs. 40—60, was indicated in terms of the Board's letters Nos. E 48 CPC/93 dated August 9, 1948, and December 31, 1948.

The scale of pay of the Divisional Accountant, Engineering Workshops, M & S.M. Rly., should be reviewed with a view to giving a scale higher than the present scale of Rs. 200—300, if justified.

The Wireless Inspector, C I II, M & S M. Rly., should be given the scale of Rs. 150—225, if he was in fact a Wireless Inspector.

Stock Verifiers on the S I. and M & S M. Rlys., who have passed an examination on an all-India basis and who are actually doing the work of Inspectors of Stores Accounts, should be given the appropriate scale of the Inspectors of Stores Accounts, if they are in the Accounts Department.

The Publicity Inspector (Line Work), M & S.M. Rly., should be given the scale of Rs. 200—300 if he is doing journalistic work of the type done by the Publicity Inspectors on Calcutta Railways.

The case of Power Controller, E P. and E I. Rlys., should be reviewed so as to ensure proper allocation between the two grades Rs. 200—300 and Rs. 260—350.

The Road Van Inspector, B B & C.I. Rly., should be given the scale Rs. 200—300 if his duties and responsibilities were of the higher level than those of the Inspectors.

The scale of pay for Conservancy Supervisor, B.N. Rly., should be reviewed with a view to revising if the men perform the work as stated in their representation.

The scale of pay of Pattern Store-Keeper, Foundry Shop, Kanchrapara, E I. Rly., should be reviewed taking into consideration the Board's orders relating to non-Matric scales.

A proper classification should be made in the case of the Lampman, Bandel, who is in the scale of Rs. 35—50, having regard to his duties as compared to those of the Night Oilmen.

Wireless Signaller, M & S M. Rly., should be given the scale as applicable to Wireless Operators if they were whole-time Wireless Operators and carry out the same duties and responsibilities as operators.

The scale of pay of Mechanical Shunting Masters and Muccadams, M & S M. Rly., should be reviewed in accordance with the scheme of rationalization adopted for traffic technical staff.

If Matriculation is the minimum prescribed qualification in the case of Malaria Educated Mates, B.N. Rly., they should be placed in the prescribed scale of Rs. 55—130, otherwise their pay should be reviewed for allotment of a higher scale in the light of the duties actually performed.

The case of Malaria Inspectors, E I. Rly., should be reviewed so that if circumstances justified, at least one post might be allotted the grade of Rs. 200—300.

The case of Asstt. Malaria Inspectors, B B & C.I. Rly., should be reviewed with a view to achieving a fairer allocation to the three grades applicable to them.



If the Leading Hands (Supervisors of Running Shed), Bitragunta, M.&S.M. Rly., were persons trained as Apprentice Mechanics, their cases should be regulated according to the Committee's decision relating to Journeyman.

In the case of Draftsmen on the M.&S.M. Rly. who were combined with Surveyors, there should be a fairer allocation to the higher posts of Surveyors.

The case of Mr. B. B. Sur, Pattern Maker, Kanehpara Workshops, should be reviewed for proper allocation of scale.

The Daftry in the office of D.T.S., Hoobly, M.&S.M. Rly., should be given the scale for Record Sorter if he was actually doing the work of a Record Sorter.

The Bharline Time Record Attendant, B.N. Rly., should be allotted the scale of Rs. 55—85 if he performs clerical duties.

The Store Checker, Tools & Plant Depot, Golden Rock, S.I. Rly., should be given the scale Rs. 55—85 if he was performing clerical duties.

The Instructor Incharge, Traffic Training Schools, Kharagpur, B.N. Rly., should be given the scale of Rs. 150—225 if he was dealing with training of Class III Traffic and Commercial Staff.

The claim of Junction Stock Verifier, E.I. Rly., for higher scales should be considered in the light of the recommendation of the Committee relating to Head Trains Clerks.

The scales of pay of Rates Inspectors, Grades III & IV, on E.P. Rly., should be reviewed for removing any possible injustice.

The connotation of the term of Jemadar of Poon, on the M.&S.M. Rly., should be rationalized.

The case of five Assistant Store-Keepers, S.I. Rly., who have submitted a representation to the Committee, should be reviewed for ascertaining if their duties justified the scale Rs. 200—300.

The case of Gate Supervisors of Cuttack should be reviewed with a view to ascertaining whether a higher scale of pay was justified.

The case of Survey Staff of the Mining Adviser, B.N. Rly., should be reviewed to ascertain whether any upgrading was justified, having regard to their duties and responsibilities.

The case of Filter Operator, G.I.P. Rly., should be reviewed to determine whether a scale higher than Rs. 80—160 was justified having regard to his duties and responsibilities.

Luggage Weighers, G.I.P. Rly., should be allotted the scale Rs. 55—85 if they were performing the duties enumerated in their representation to the Committee.

The case of Tools Stores Incharge, Kharagpur, B.N. Rly., should be reviewed to determine whether a higher scale was justified.

## TECHNICAL COMMITTEE, CO-ORDINATION OF FISHERIES STATISTICS, 1949—REPORT

Delhi, Manager of Publications, 1951. 74p.

Chairman : Shri W. R. Natu.

Members : Shri N. C. Chakravarti; Shri K. Chidambaram; Dr. B. N. Chopra; Dr. U. S. Nair; Shri Phuleswar Prasad; Dr. P. V. Sukhatme.

Secretary : Shri J. S. Sarma.

### APPOINTMENT

The Technical Committee, Co-ordination of Fisheries Statistics, was constituted under the Ministry of Agriculture vide their letter No. F7-10/48-St. dated May 28, 1949.

### TERMS OF REFERENCE

To report on the technical aspects of the programme

of statistical work in the sphere of fisheries indicated in the Annexure to the Report of the Statistics Sub-Committee of All-India Fisheries Conference held in September, 1948, and in particular:

(a) To examine the existing Fisheries Statistics and recommend standard forms of returns in which they should be collected and regularly compiled;

(b) To prepare model schemes for conducting intensive surveys of fisheries in representative areas and important centres of production, distribution and consumption; and

(c) To revise the Annexure to the above-mentioned Sub-Committee's Report, which may be taken to represent a blueprint on the collection and handling of Fisheries Statistics.

## CONTENTS

Introduction; Scope of Fisheries Statistics; Present Position Relating to the Availability of Data; Principles of Collection; Definitions and Forms of Returns; Organization; Conclusion; Summary of Conclusions and Recommendations; Appendices I to V.

## RECOMMENDATIONS

The collection of accurate data for the country as a whole as well as for each State is an essential preliminary for planning the development and exploitation of inland and marine fisheries.

The various types of data required to be collected fall into three broad categories, viz:

(i) Potentialities including a survey of resources, personnel engaged and equipment possessed by them;

(ii) Production including catches and manufactured products; and

(iii) Utilization, demand and supply including processed fish, market arrivals, trade and prices.

Viewed in the context of these requirements, practically no all-India statistics exist at present in respect of most of these items. Attempts are being made to collect statistics in some States, but the collection is not yet organized on a systematic and regular basis and even such statistics as are available at present are defective.

### Method Of Collection

The data to be collected may be classified into three categories according to the method of their collection:

(a) Those that may be obtained by complete enumeration;

(b) Those which may be obtained on a sampling basis; and

(c) Those requiring controlled experiments and observations for a sufficiently long period of time.

Each of these may again be sub-divided into two groups according to the periodicity of their collection, viz.:

(i) Those needed once in five or 10 years; and

(ii) Others required at more frequent intervals, say, annually, monthly or weekly on a routine basis.

A complete enumeration is essential for collecting the basic data about certain aspects of fisheries, not merely for proper planning and development but also for facilitating sample surveys. Such a survey may, however, be costly and may require a larger organization. In areas where for organizational, financial or technical difficulties a complete enumeration is not immediately feasible, the data should be collected through random sample surveys.

Where a complete coverage even by random sampling is not feasible, the collection of data by survey of a

few typical samples is recommended. Maximum use of such data as are collected at present by the Government agencies should be made by standardizing the procedure of collection thereof.

For certain items, the data may be collected by the introduction of licensing or registration system under which the concerned parties may be required to submit relevant statistical returns.

Based on these principles, the following integrated plan for the collection of Fisheries Statistics is recommended:

A. Data to be obtained by a complete enumeration:

(i) Once in five years:

(a) Water resources—nature, number, area and exploitation;

(b) Families and population engaged wholly or partly in any branch of fish industry;

(c) Fishing craft and tackles, and fish-transport vessels;

(d) Numbers of curing yards, fish farms, warehouses, ice-plants, refrigeration and transport equipment; and

(e) Sources of supply of spawn, fry and fingerlings.

(ii) At short intervals:

(a) Arrivals at selected markets (daily);

(b) Internal trade;

(c) Output of processed fish and fish products, such as fish-liver oil, fish oil, fish meal and fish manure (annual);

(d) Data on spawn, fry, fingerlings and fish collected, reared and disposed of by inland fish farms under Government or quasi-Government management and large commercial farms (annual);

(e) Landings, wholesale and retail prices of fish at selected centres of production and consumption (weekly).

B. Data to be obtained through periodical sample surveys:

(i) Once in five or 10 years, conducted on an intensive basis:

(a) Extent of exploitation of different classes of fisheries;

(b) Sources of supply of gear, yarn, nets and craft, and other materials required for fishing;

(c) Efficiency of different fishing practices;

(d) Efficiency of different types of craft and gear;

(e) The marketing, storage, transport and refrigeration facilities;

(f) The economics of fish industries, manufactured fish products and by-products;

(g) Sources of supply of finance and indebtedness of fishermen;

(h) Consumption of fish by fishermen and non-fishermen;

(i) Economic and sociological conditions of population engaged in fishing and allied industries.

(ii) Data to be obtained through continuous sample surveys:

(a) Catches of inland and marine fish.

#### Category A (I)

Statistics in respect of these items should be collected by each State through the appropriate agencies as indicated herein.

The basic data regarding inland water resources and fisherfolk, their craft and tackle, sources of supply of spawn, etc., will be obtained by conducting an integrated complete enumeration of the individual units once in five years.

In view of the difficulties of collecting the data regarding flowing waters and inundated areas by the method of complete enumeration described above, alternative methods of obtaining the information may be adopted as noted early.

In order to have an idea of the annual changes in the fishing craft operated in inland and marine waters without carrying out a fresh survey, there should be compulsory registration of all the fishing craft; the registration certificate should be renewable at periodical intervals.

The data on numbers of curing yards, storage houses and their capacity, types of refrigeration and transport facilities available should be obtained once in five years through the same survey.

#### Category A (II)

Market statistics should be collected only in respect of a number of important markets in each State, the actual number being not less than four.

Statistics of wholesale and retail prices of selected varieties of fish should be collected for the selected markets once a week. The corresponding landing prices of fish at the principal sources of supply to the selected markets should also be obtained.

Prices of fishing equipment and accessories such as boats, yarn, tar, twine, cloth for sail, timber, hooks, kerosene, etc., which have to be paid for by the producer at selected sources of supply, should also be collected at least once a month.

Data on arrivals of fish at the selected markets should be collected on a daily basis.

The feasibility of registration and licensing of wholesale trading in fish should be examined. The necessary data can be collected through the returns obtained under this system.

Statistics of inland trade in fish should be included in the accounts relating to the Rail and River Borne Trade of India published by the D.G.C.I.&S.

Data on quantities of spawn, fry, fingerlings collected, released, reared and sold at least from Government

and quasi-Government farms should be maintained annually.

The feasibility of licensing all private nurseries meant for commercial purposes should be examined. The relevant statistics could then be collected under the licensing system.

Data on quantity of fish received and cured and salt issued from Government and quasi-Government curing yards should be collected in standard forms through the respective officers in charge of the yards.

The feasibility of licensing all private curing yards where curing is done in an organized manner and where consumption of salt is more than 500 maunds a year should be examined; the relevant statistics could then be obtained under the licensing system.

Statistics of fish products manufactured under Government auspices should be obtained through annual returns obtained from the producing concerns.

#### Category B (I)

Intensive investigations covering the socio-economic aspects of the fish industry should be conducted by the method of random sampling. A beginning should be made by conducting such surveys in a few typical areas as early as possible.

#### Category B (ii)

Surveys by the method of random sampling should be undertaken to estimate the catches of fish from inland as well as marine fisheries. With respect to marine fisheries, the pilot survey undertaken in Madras by the I.C.A.R. should be completed and its scope extended if necessary.

For inland fisheries, suitable pilot surveys should be organized in some suitable areas of West Bengal.

#### Category C

It is desirable that side by side with the collection of routine statistics, experimental and research work should be conducted to explore and improve the statistical technique adopted.

The experimental work carried out with regard to biometric studies of fisheries should be planned on scientific statistical principles and the services of statistical staff should be made available for the purpose to the research workers.

#### General Co-ordination

In order to ensure the collection of statistics on a uniform and comparable basis in the different States standard terms and definitions described in Chapter IV should be adopted.

The primary and abstract standard forms described in Appendix I should be adopted for the collection of

data in all the States, though they may be amplified when necessary to suit local requirements.

Each State Government should issue an annual Report on Fisheries Statistics as soon after the end of the fishery year as possible.

The Ministry of Agriculture should publish annually a Report on the Fisheries Statistics of the country based on the individual Reports received from the States and other data available.

#### Agency

In the collection of Fisheries Statistics the existing agencies in the Departments of Fisheries, Revenue, Agriculture, Irrigation, Public Works, Marketing and Co-operation should be utilized to the maximum extent possible.

In particular the agencies of the Departments of Revenue or Agriculture, which have reporting agencies at the village level for their own purpose, may give substantial assistance in this respect.

The quinquennial survey of inland water areas and the census of fisherfolk, craft and tackle should be carried out through the existing Patwari agency in the temporarily settled States and in other States either through agencies normally responsible for the collection of agricultural statistics or such other agencies as may be suitable.

These primary enumerating agencies should be given adequate training in the conduct of the surveys.

Market data should be collected through the subordinate staff of the Fisheries Department or of the Marketing Department or of the Municipalities as may be convenient.

The data regarding Government curing yards and inland fish farms should be obtained through the officers in charge of the respective yards and farms.

The agencies for conducting the sample survey of intensive investigations as well as the annual sample surveys for estimating catches will have to be decided when the schemes are finalized.

The technical supervision of the collection of data should be done by qualified staff of the Department of Fisheries.

Ultimately, an efficient collection of Fisheries Statistics depends on the co-operation of the fishermen themselves. In collecting the statistics the fishermen leaders, the fishermen co-operative societies and other local organizations should be associated with the work and their help obtained to the extent possible.

The cost of creating an agency for the collection of statistics may be met partially from the revenue realized from fees for registration and licensing of craft, curing yards and commercial fish farms, wholesale traders and boat owners, from cesses imposed on market arrivals, etc.

Adequate statistical staff should be provided to the Fisheries Departments in the States for the collection, compilation, interpretation and publication of Fisheries Statistics.

The State Governments should take immediate steps to compile and publish such data as already are in their possession.

The Ministry of Agriculture should co-ordinate the collection and compilation of Fisheries Statistics in the different States.

## EXPORT PROMOTION COMMITTEE, 1949—REPORT

Delhi, Manager of Publications, 1949. 64p.

Chairman : Shri A. D. Gorwala.

Members : Shri K. D. Jalan; Shri Debes Chandra Ghosh; Shri Ratilal Mulji Gandhi; Prof. D. R. Gadgil; Shri G. Euthymopulo; Shri Abdul Jalil; One Representative of Labour; One Representative of Primary Producers; Deputy Director-General (Development Non-Engineering), Ministry of Industry and Supply.

Secretary : Shri L. K. Jha.

#### APPOINTMENT

The Export Promotion Committee was constituted

under the Ministry of Commerce vide their Resolution No. 64-CW(34)/49 dated July 9, 1949.

#### TERMS OF REFERENCE

(i) To make recommendations as to the measures to be adopted for stepping up exports so as to achieve balanced trade, with particular reference to exports to hard currency countries;

(ii) To examine impediments in the way of increased exports, particularly price, quality and licensing mechanism, and to suggest what should be done to remedy the situation;

(iii) To make recommendations on any other

matter relevant to the main subject of promotion of export trade.

## CONTENTS

Part I: Balance of Payments: An Analysis; Some Problems of Economic Health; Part II: Impediments and Measures: Liberalization of Export Control; Quality Control; Taxation and Exports; Facilities for Exports; Government Machinery; Some Suggestions Examined; Part III: Commodities: Jute Manufactures; Tea; Cotton Piecegoods; Raw Jute; Oils and Oilseeds; Raw Cotton; Hides and Skins; Mica; Shellac; Sugar; Coal; Spices; Manganese and other Ores; Cottage Industries; Miscellaneous Items; Invisibles; Concluding Remarks; Statistical Appendix.

## RECOMMENDATIONS

### Liberalization Of Export Control

It is somewhat paradoxical that, while the Government has been aiming at export drive, elaborate machinery to exercise control over the majority of exports exists. The present export control ratification has been inherited from the days of the war when there was need to restrict the volume of exports for a variety of reasons, many of which no longer hold good. The justification for continuing export control over various commodities must, therefore, be reviewed afresh in the light of present conditions.

If we conserve indigenous production for internal consumption in order to balance our trade we must necessarily curtail imports severely. In either case internal consumption has to be cut. When we have to depend on imports to supply us with food and fertilizers, raw materials and machinery, the necessary foreign exchange for which is not being earned by our present level of exports, clearly the case for reducing as far as possible all restrictions on our export trade is overwhelming.

The argument that if free exports of any commodity are allowed its internal prices or supply would be adversely affected always needs the most critical scrutiny. The price level of Indian goods in general is such today that far from exports leading to an increase in price, it is the high price which is hampering exports. The fear that there may be a shortage is frequently ill-founded. The supply of a commodity is not a static thing. The impact of a large demand often stimulates production which may prove sufficient both for internal and overseas consumption. In recent months many items have been made free experimentally, either for Pakistan alone or for all countries. In no instance has it been necessary to retrace our steps and to re-impose control. There is an overwhelming case for making such experiments on as

wide a front as possible. Theoretical apprehensions are often belied in practice.

In the long-term interests of the country's foreign trade, manufactured goods as a class must be freed from export control and indeed it should be our policy to encourage such exports in every possible way. With the emergence of a buyers' market and growing competition from the more industrialized countries of the world our industry must not be handicapped by restrictions when it seeks to export its products.

Where a limitation on the total volume of exports is considered essential to safeguard the interests of the internal consumer, we feel that the best course would be to allow free exports until whatever quota is fixed has been exhausted. The restrictions regarding established shippers and destination quotas may have been useful and convenient implements of administration so long as the external demand was known to be very large in relation to the total available supply. Such a position no longer holds good generally. For most commodities subject to quota restrictions the present volume of exports is below the quota fixed. It would be best to allow trade to flow unhampered until the quota limit is reached.

Except in respect of goods which come from hard currency countries, there is no reason to place any obstacles on re-export, unless the goods are in such world-wide short supply that difficulties are anticipated in replacing them from soft currency sources. There is no need to have export restrictions on any commodity simply because it happens to be partly or wholly of imported origin. Nor should there be any objection to the free export of processed articles, the hard currency element in the price is not more than half.

We are aware that clocks and watches are mostly of hard currency (Swiss) origin. Watches, however, have to be imported at the cost of hard currency, not primarily because we must have them, but because the Swiss insist that if we take other things from them which we really need, we must also take some watches, the export of which forms part of their traditional pattern of trade. In our view, it is desirable that these watches should be exported so that the hard currency spent on them may not mean a total loss of foreign exchange but only of hard currency, soft currency being obtained in substitution. A somewhat similar consideration would apply to American motor cars assembled in India, which are imported not because the American cars are essential for the country but in order to keep the assembly plants working. Many soft currency countries might be interested in the import of Indian assembled American cars. Luxurious cars are in any case not in accord with the economic conditions of this country and if they have to be imported to keep the assembly plants going, preference

should be given to export demands for the finished cars.

### Quality Control

Any measure of quality control for export purposes can have but one objective, the satisfaction of the consumer. Methods to ensure that goods give the maximum value for money to the consumer have their place in the internal economy of a country. When it comes to exports, however, the consumer must be given what he wants and there must be no attempt to get him to take something else which we may consider good, but which he does not want.

The first requirement of a successful scheme of standardization is its acceptance not only by the producer but also by the consumer. If the standards evolved are those which the consumer finds convenient, his task of obtaining supplies of the right kind is considerably simplified.

For goods which are not the raw material of industrial production but are consumer goods, standardization may actually cause difficulties. The taste of each market and even of classes of consumers in a market not being subject to standardization attempts to standardize the quality of supply would result in a loss to the export trade. Commodities like cloth and tea are obvious instances where we feel there is little scope for standardization. Indeed in both these commodities we consider that the only scope for standardization is in packing so as to ensure reduction to a minimum of damage in transit.

It remains a moot point whether when standards have been evolved in respect of suitable raw materials, they should be enforced by the Government. The guiding rule should be to do that which would please the consumer most. Where there is already an established and working machinery for determining the standard of the exported raw material and remedying defects, if any, the enforcement of yet another test by the Government is not likely to serve any useful purpose and may well serve as an unnecessary irritant by delaying shipments or by increasing costs.

One objection to enforcement of standardization by the Government is that if goods which go out with the official seal of approval are found to be below standard, damage is done to the reputation of the country as a whole and not merely to that of the exporter alone. This means that the staff engaged for inspection must be thoroughly honest and that the method of sealing should be such that after final examination no further tampering is possible.

The general trend of the above argument can be summed up by saying that the laying down of restrictions regarding the quality of exports or the appointment of an army of inspectors is not likely to be of

special help in promoting confidence in the quality of Indian goods. Action should be aimed not merely at standardization or quality control but at removal of dangerous or undesirable elements in the export trade of the country. To sum up:

(i) Quality control in the sense of preventing by Government enforcement the export of anything which does not conform to certain fixed standard should be applied in the case of those commodities where the laws of the importing countries are such that the importation of anything below the standard is forbidden. Examples of this kind are the various laws prescribed by the Public Health authorities in the U.S.A. and Canada governing edibles like oilseeds and spices.

(ii) The quality of packing of commodities like tea and cotton piecegoods should be standardized and adherence to these standards should be enforced.

(iii) As a rule arbitration should be relied upon for ensuring that the quality of the goods exported conforms to the buyers' specifications. For this purpose standard forms of arbitration should be evolved and recommended to the Chambers of Commerce for adoption.

(iv) Where there is a distinct attempt to cheat the buyer or a practice of setting below standard is established, or where the exporter refuses to carry out any award made by the arbitrators prompt inquiry resulting in black-listing should follow.

(v) Standards which will facilitate the transaction of business by enabling quotations to be made with reference to them, provided they are equally well understood by the buyer and the seller, should be prescribed as means of reference.

(vi) Standardization or quality control should not as a rule be applied to commodities in which markets or buyers have their own particular preference.

### Taxation And Export

Once a duty has been imposed, it may be essential to wait for a proper occasion before removing it; otherwise the advantage sought to be given to the exporting interest may not be as effective as it should be.

To put a tax on some exportable commodity in order to meet a budget deficit is to injure the export trade and thus inflict much more damage on the fiscal system than the revenue brought in by the tax can repair.

Provinces impose sales taxes on commodities sold within their boundaries for the purpose of obtaining revenue, but these sales taxes should not be a hindrance to those activities which produce foreign exchange both for the Provinces and the Centre.

An inducement to exports, not likely to cost the

Government over-much, while at the same time furnishing real incentive, would be a refund of income-tax on a percentage of the profits made from exports. A scheme could be worked out somewhat on the following lines:

Assuming 1948-49 as the base year, if a firm exported in 1949-50 the same quantity as in the base-year, it would be given a rebate of 10% of the proportionate profits it made from exports. If it increased its exports in 1949-50 by 25%, the rebate would increase by 5% and another 5% for every further increase of 25% over the basic figure. We are not altogether enamoured of any such scheme, but we do feel that in times difficult as these and with more difficult times ahead, some special incentive may be very desirable to keep exports up and to increase them.

### Facilities For Export

The transport bottleneck, to which all the country's ills were ascribed a year ago, has now ceased to be a by-word. It is admitted that there has been considerable improvement in transport. So great, however, is the reliance on transport of practically every commodity exported that it is necessary to keep a very special watch on the movement of such commodities to ports.

Particularly important is railway transport for our exports to Pakistan. We were assured that wagons were being given to goods covered by the Indo-Pakistan Agreement. There are, however, many commodities not covered by the Agreement, which normally do go to Pakistan and exports of which to that country we wish to encourage. In the absence of any general instructions, such consignments required to be sponsored *ad hoc* before they get the requisite transport priority.

Yet another matter connected with transport requiring urgent attention is railway freight and its application to export commodities.

Many of our export industries need raw materials, packing materials, stores and spare parts, which have to be imported. Some of them may even need to import new plant and machinery in order to improve their efficiency or expand their production. It would be wrong to allow restrictions on import placed on account of shortage of foreign exchange to result in any diminution of imported supplies required to increase exports. When, however, licensing restrictions are necessary to prevent unduly large imports which may or may not be wholly required for the purposes of the export trade, every facility should be given to the export industries to obtain their requirements through such channels as suit them with as few formalities as possible.

Elimination of delay in shipment would be a great gain to the export trade. Delay in shipment arises from many causes. There may be difficulty in obtain-

ing licences. We have attempted to suggest reduction of licensing to as great an extent as possible. Where licensing remains, the officials issuing licences should be impressed with the feeling that they are there primarily not in order to refuse licences but to facilitate their grant in all reasonable cases.

Again, there are delays in Customs. Commodities which do not need an export licence are often not passed by the Customs unless a certificate to indicate that no licence is required is produced before it. In other words, the shipper has to go to the Export Controller to find out whether the commodity is controlled or not. In our view this is entirely unnecessary and should be prohibited forthwith.

Apart from Customs and export licensing, there are formalities connected with the filling of G.R. Forms which are sent to the Reserve Bank as a guarantee for the surrender of the foreign exchange earned. Obviously there can be no relaxation of this restriction. It has been urged that samples as a class should be excluded from the G.R. Form procedure. On the other hand, we have been told that there have been instances where the exchange control has been evaded by the despatch of a large number of small parcels. While appreciating fully the difficulties of the exchange control in this respect, we would suggest that it should be possible to exempt sample parcels of particular classes of goods going to certain countries from such restrictions.

While on the subject of shipping freights, we should like to mention the extraordinary situation in which coastal shipping charges are very much higher than the corresponding railway freights. This has a very serious effect not only on internal movements but also on our trade with Pakistan, goods to which country often go by coastal ships. In particular, the supply of coal to Pakistan would be easier and cheaper if the freight rates from Calcutta to Karachi were more reasonable. One of the principal reasons for carrying goods by sea from one port of India to another was the low carrying charge as compared with railways and, indeed, the railways used to have to keep their freights down to get full loads. We think this matter should be examined at once by a really competent and independent authority. It may well be a case of charging everything the traffic can bear, especially in view of the comparative shortage of wagons and difficulty of loading by rail.

For the development of our export trade it is important that we should, as far as possible, have direct contacts with countries which consume our products. Accordingly representatives of importing houses in overseas and adjoining countries should be given every facility to visit this country in order to get in direct touch with Indian exporters and to acquaint themselves with the nature of supplies available for them in this

country. We understand that owing to delay and difficulty in the grant of visas, many a potential customer is turned away. We would strongly urge that permission to visit India to those who are likely to be interested in Indian goods be given quickly and with the minimum of formality.

### Government Machinery

Although it is true that in many matters, exports depend upon conditions which are outside the sphere of Government activity, the existence of a proper organization within the Government charged with the direct responsibility of obtaining and supplying knowledge with regard to export commodities and having continuous information pouring into it about the progress of exports can be of great value. Most modern Governments have a Department of Overseas Trade or even a specific Export Promotion Department, either as an independent section of the Government or as a branch of an important department. In India the general responsibility of encouraging exports rests with the Ministry of Commerce. There is however no specific department or sub-department which co-ordinates every aspect of export policy. The first requisite for effective Government assistance to exports is, in our view, the setting up of such an organization. Its exact form must depend upon the functions it has to exercise. In our view, it should collect information and disseminate it. It should watch and supervise the progress of exports. It should remove difficulties, administrative, internal or foreign, or economic, internal. It should give guidance to exporters. It should take all measures necessary for the spread of Indian trade by publicity in all its forms without and within the country.

If the functions described above are to be exercised successfully, a separate organization is clearly necessary. It may be either within the Ministry of Commerce, or, preferably, as an independent entity under the same Ministry.

For every export commodity, this organization should have full details about the internal production with any changes or variations that may occur from time to time in it together with the reasons for such changes. It should also have full information about the demand for each such commodity in foreign markets, the prices prevailing from time to time, the activities of our competitors in each of these markets and the likely trends as they develop.

For the collection of information from abroad, the main source will be the Trade Commissioners in various countries.

The organization must keep its statistics abreast of immediate happenings. It should know from week to

week the progress as regards exports of the principal commodities.

One of the principal tasks of the organization would be to have restrictions against the import of Indian goods, wherever they exist, removed. It would prepare cases and see that they were urged properly by our diplomatic representatives abroad. Publicity in the form of participation in exhibitions and fairs, putting up of show-rooms, issue of literature—pictorial and otherwise—insertion of articles dealing with particular products in foreign newspapers, all these would fall within its sphere, and it would have to see that the best value was obtained for every rupee spent.

It has been suggested in the section dealing with quality control that machinery should be available for the immediate investigation of complaints from foreign dealers which point to fraud or systematic supply below specifications or failure to accept arbitration awards by Indian exporters. This organization would seem to be the most appropriate body to deal with such complaints.

### Jute Manufactures

For the regaining of lost markets and the expansion of exports in this commodity, a controlled price can well be a most potent weapon. We recommend that as soon as necessary conditions obtain, this matter should receive immediate attention.

Full and careful costing of the industry by an independent authority is very desirable.

Production is a necessary preliminary to export. Accordingly, the aim should be to increase rather than curtail the production of jute goods.

### Tea

The principal problem that will arise in regard to the export of tea will be competition from Indonesia in another couple of years; it is as well that both the Government and the tea industry should be prepared to face that competition when it comes. One method of facing it would be by reducing costs as much as possible at the present time and indeed by even selling to foreign markets at reasonable prices rather than attempting to obtain everything that the foreigner will bear.

Of the million chests for packing tea which were to have been imported this year, a bulk contract with Russia for half the quantity has been entered into by one association. The other half has yet to be licensed for import and we understand that among the reasons for the delay in the licensing are the selection of importers and the proposal to restrict licences only to those who are able to enter into direct contracts with the supplying countries. We feel that neither of these two considerations are of such importance as to justify



holding the import of containers of great importance to our tea exports. In our view, permission to import such articles should be freely given to the actual consumers and only to the extent the consumers themselves are not prepared to import for their own requirements should middle-men be selected. This is particularly necessary when owing to the limited volume of imports, competition among the importers would be absent and the industry might be made to pay unduly high prices for the limited stock available.

The other difficulty is the question of sales tax, which in certain Provinces and States is not remitted on goods going to export markets. The situation is particularly serious in South India, because tea has very often to pass through more than one territorial unit and is thus subject to multiple taxation.

#### Cotton Piecegoods

Although Excise duty on cotton piecegoods is not applicable to goods exported, considerable difficulty has been reported to us in obtaining refunds of the duty by exporters. The procedure does not appear to be uniform in all Provinces, and, apart from that, it is necessary for the exporter to fill in a very large number of details some of which are not readily available before he can get the refund. This causes considerable inconvenience to exporters. We would suggest that the procedure be considerably simplified.

As regards quality, there can and should be no attempt at standardization. When catering to an overseas market, the requirement of the buyer must be supreme. What is needed is machinery to ensure that the buyer must be supreme. What is needed is machinery to ensure that the buyer gets what he has ordered and agreed to pay for.

The real redress to the importer against the supply of goods of inferior quality lies not in inspection by another agency but in the inclusion of an arbitration clause in contracts. During the war when there was a scarcity of cloth and a sellers' market, sales often used to take place without such provision being made in every case and the practice still seems to continue. What is required is a standard form of agreement which will include a provision on the lines indicated below:

"Any dispute as to inferiority or any other fault in the execution of this contract shall, failing an amicable settlement, be submitted to the arbitration of two recognized piecegoods merchants, one to be named by each party, and in the event of such arbitrators being unable to agree, of an umpire, appointed by them or by the . . . Chamber of Commerce if the arbitrators are not able to agree upon an umpire. The decision and award of such arbitrators or umpire shall be binding and conclusive upon both parties, the loser to pay the fees."

In cases where the manufacturer himself does not export, a contract between the manufacturer and the exporter is also necessary. All such contracts should be on the basis of a given sample, which should be available with the manufacturer so that complaints, if any, can be investigated in full.

One of the most frequent causes of complaints from overseas market has been the poor quality of packing resulting in damage to the cloth. A standard packing should be evolved and the use of inferior materials prohibited.

In addition to piecegoods, export of cotton yarn from India should also be increased.

#### Raw Jute

The policy of exporting raw jute from India must always be governed by the consideration that the Indian mills have sufficient stocks.

The future of raw jute exports is very largely linked with the expansion of raw jute cultivation.

#### Oils And Oilseeds

On account of the very large increase in the production and consumption of groundnut oil and vegetable product, the exportable surplus is estimated to be in the region of 100,000 tons in terms of oil, if the crop is reasonable. In terms of kernel this means 250,000 tons. Since crop indications for 1949-50 are favourable, a total export of 100,000 tons in terms of oil and of 250,000 tons in terms of seed is not likely to be a high target. In linseed the surplus is estimated to be 50,000 tons in terms of oil.

The one difficulty in achieving this target is the disparity between internal and external prices. The remedy that suggests itself is imposition of control over the prices of groundnut and linseed. To be effective, however, the price of a number of other oilseeds, particularly mustard and sesamum, will have to be controlled although they do not enter the export trade at present (except that mustard oil goes to Pakistan).

The method of allowing export through established shippers was necessary so long as there were internationally fixed destination quotas and conditions indicated that the demand was well in excess of the supply. Today, we should throw open exports completely and merely keep a statistical record of exports so that when the quota fixed has been exhausted further exports can be stopped. It would of course be desirable to announce the quota as early as possible on an appreciation of the crop position for the next year in December of the previous year. After watching the trend of exports, it should be possible to give the trade a month's notice before the quota is exhausted.

Castor seed like castor oil be decontrolled com-

pletely and linseed should be dealt with in the same manner as groundnut.

Quotas should continue to be fixed separately for the oil and the seed but if the seed quota is finished before the oil quota, the position regarding conversion from oil to seed should be reviewed.

#### Raw Cotton

It would be more advantageous to utilize whatever acreage can be devoted to cotton in growing only varieties likely to be useful to the Indian mills. Were it possible, this country would be well advised not to grow any cotton for which there is no use in the country.

#### Hides

One of the main difficulties in regard to marketing of hides is the shortage of wagons with wooden floors. For the safe transport of hides such wagons are desirable and we would recommend that as many wagons should be made available as possible. At least wet salted hides and skins should be classed as perishables by the Railways.

#### Skins

Some of the export of Amritsar type of goat-skin produced in the East Punjab has now been dislocated on account of the evacuation of those who were primarily engaged in this trade. It has been suggested that the trade could once again be started in and around Amritsar provided capital and technical guidance were available. It is also said that the capital required is not large and the technical guidance not difficult to obtain. In the circumstances, we recommend that this question be forthwith investigated.

#### Mica

The mica export of India is handicapped so far as its competitive ability is concerned by Provincial Government's Sales-Tax, cess, and shipping freight. The rates of these respectively are  $1\frac{5}{18}\%$ ,  $2\frac{1}{2}\%$  (with option to increase it to 6%) and 4%. At the same time the industry maintains that increase in wages has made its working even more uneconomic for though the increase has not been more than the increase in the cost of living, the price of mica has not gone up in the same proportion. It is said that Indian wages are higher than those in Brazil and the productivity per man today is half of what it was before the War. There is a clear case for removal of the Provincial Sales-Tax which should not in any case apply to exports. Shipping freight is also said to be one of the highest for cargo other than treasure.

#### Shellac

If the export trade in shellac is to expand, the first requisite is the elimination to as great an extent as

possible of speculation. We would suggest complete prohibition of Fatka operations in shellac.

Transport too is very important. Shortage of transport leads to shortage of stocks in Calcutta thus favouring speculative activity. It is very desirable that adequate transport should be made available to move stocks at the proper time.

#### Spices

An important factor affecting prices today is the policy regarding exports to soft currency countries. An announcement by the Government that they would, if the price goes higher, take measures to stop such increase by allowing exports only to hard currency countries would probably help in keeping the prices at a more reasonable level.

Commodities which are subject to special regulations in the importing countries should, as far as possible, conform to those specifications, and steps should be taken, firstly, to publicize these standards and, secondly, to enforce them by prior inspection.

#### Manganese And Other Ores

The present annual targets of export be maintained and fulfilled.

#### Cottage Industries

Although not all the products of cottage industry are likely to find a steady and continuous market abroad, there are a number of them which produce artistic utilities the production and marketing of which can be considerably improved so as to assist in increasing our earnings of foreign exchange. Items which seem likely to yield results are brass work, wood and ivory carving, certain types of jewellery, papier mache, gold brocade, silk handiwork. Some of these are luxury goods but of a kind which might find a wide and ready market especially in the States, where in relation to income levels their prices will not be too high. But the main difficulty is that their production is not organized for the purpose of export. It is usually in the hands of very small merchants and very poor workmen neither of whom have any idea of the export needs and their sale takes place purely by fortuitous circumstances. If the modern technique of salesmanship is applied to them and their production methods are adopted to yield a steady flow of standardized mass produced utilities having an artistic appeal it may add to our exports especially to hard-currency areas. As regards soft-currency areas it has to be remembered that many countries do not allow the import of luxury items.

#### Miscellaneous Items

Fruits, Nuts and Vegetables: The most important item in this category is cashewnut, a valuable dollar

earner. In order to maintain exports at a high level, the free importation of cashew kernel is essential.

Some fruits, we understand, have recently been placed on the Permissible List for export to Ceylon. We feel that the concession should be extended to all destinations as there are some possibilities of these fruits finding a market even in Europe and America, if they go by air. The export of bananas is prohibited at present because it is thought to be a valuable subsidiary food. There is a demand for it in countries like Switzerland and Sweden. We recommend that their exports should be allowed.

We recommend that onions should be completely freed from all export restrictions.

#### **Horns, Hoofs And Pieces Thereof**

The stoppage of their exports, when the foreign exchange earned by their export would pay for a much larger quantity of chemical fertilizer which can be imported, is, in our view, a mistake. We think that horns should be allowed to be exported without any licensing restrictions.

#### **Crushed Bones**

This commodity had its largest market in Belgium and earned us hard currency. The best course would be to remove control from both crushed bones and bone-meal and for the Government to buy its requirements of bone-meal on competitive terms at international prices. This will probably result in a larger volume of exports and a larger bone-meal supply to the Government than at present. The maximization of production and export depends greatly on transport facilities for bones and the zoning restrictions should be removed as early as possible.

#### **Tyres And Tubes**

The increased import of rubber to the extent required for export purposes will not mean curtailed consumption of indigenous rubber.

#### **Manufacture Of Wood And Timber**

We recommend free export of furniture with corresponding increase in the import of timber if necessary.

#### **Fish**

Fish is a commodity in which trading is peculiarly difficult to regulate by the grant of licences and there is no reason why export should not be made completely free.

#### **Pharmaceutical Products**

Chemicals and pharmaceuticals should be completely decontrolled for export purposes. In view, however, of the tightness of the dollar position, pharma-

ceuticals which contain one of the following medicines namely, Streptomycine, Penicillin and Emetine, should continue to be under export control, the rest being free from all export restrictions.

If export on any large scale is to take place, drugs must be up to the proper standard.

#### **Tobacco**

An increase in the production of the better grades should lead to an expansion of exports—not only of unmanufactured tobacco but also of Indian cigarettes.

#### **Chillies**

We recommend that restrictions on the export of chillies be abolished.

#### **Magnesium Chloride**

The competitive position of the Indian industry is weakened on account of insufficient supply of the steel sheets, required for making containers. Increases in railway and steamer freights have also affected exports. Increased allocation of steel sheets and adjustment of the railway freight would certainly be helpful.

#### **Vegetable Products (Vanaspatti)**

It is important that this item should be removed from the Export Control Notification so that no one able to do business with overseas countries is handicapped.

#### **Myrobalan**

The price of Indian myrobalan has, however, been raised by the Provincial Sales Taxes in C.P. and Orissa and the withdrawal by the Railways of the concessional rates of freight to the ports which were in force till about two years ago. Both these impediments need to be removed.

#### **Carpet And Raw Wool**

If this industry is to regain and retain the markets which it had found during the days of War-time scarcity, it will have to be reorganized with the specific object of meeting the requirements of consumers abroad. Better grading of raw wool and better methods of marketing its exports would fetch much higher values than at present.

#### **Coir Matting**

The trade has suffered on account of the indifferent quality of some exports and inability to introduce new and varied designs which would appeal to the consumer. Good workmanship and new designs are very necessary.

#### **Aluminium Utensils**

Restrictions on the export of aluminium utensils which began in the days of the War have been conti-

nued much longer than necessary. This had a particularly adverse effect on supplies to Pakistan. A special arrangement to facilitate exports to Burma was made in the past by allowing drawbacks of duty to two of the most important manufacturing firms. This concession however applies only to exports by sea. In order that exports to Pakistan may prove possible the same concession should be extended to exports by land and all restrictions on export should be removed.

## DISPOSAL

### (1) Goods

As regards the bulk of items about which no general ruling is possible, the instructions should be that if the goods have remained unsold internally for any length of time, say, one year, they should be considered as surplus and allowed for export.

### (2) Miscellaneous Seeds

A strict check over the quality of such exports would revive these markets.

### (3) Tilles

For the development of this trade, it is necessary that the exact demands of foreign markets in the matter of packing and specifications should be studied.

### (4) Tanned Hides

There is no reason why with the necessary technical knowledge raw hides should not be so treated in India as to be equal to the best finished material produced from them abroad. We feel that this is a matter which needs prompt action and we recommend that the Government take it up forthwith.

### (5) Hemp

Production on the whole is much below 1939-40 level and if it is increased it should not be difficult to increase exports by at least 25%. Every encouragement should, therefore, be given to the producers to achieve this object.

### (6) Invisibles

The main items of invisible exports are shipping, banking, insurance and tourist traffic. The earnings from foreign countries by way of these constitute an addition to the country's foreign exchange in the same way as exports. India's earning on these accounts at present is very small, the main reason being that our shipping, banking and insurance facilities are not developed and we have to rely on other countries for these services. Measures to increase our earnings from these must include development of these services as well as an increasing use of them by Indian trade.

## NATIONAL INCOME COMMITTEE, 1949—FINAL REPORT

New Delhi, Department of Economic Affairs, Ministry of Finance, 1954. 173p.

Chairman : Prof. P. C. Mahalanobis.

Members : Prof. D. R. Gadgil; Prof. V. K. R. V. Rao.

Secretary : Shri M. Mukherjee.

## APPOINTMENT

The National Income Committee was appointed under the Government of India Resolution No. 15 (33)-P/49 dated August 4, 1949.

## TERMS OF REFERENCE

(i) To prepare a report on the National Income and related estimates;

(ii) To suggest measures for improving the quality of the available data and for the collection of further essential statistics; and

(iii) To recommend ways and means of promoting research in the field of National Income.

## CONTENTS

Introduction; The Estimates of National Income; Table 1 to 39; Recommendations on the Improvement of Data; Recommendations on Institutional Set-up for Continued work in National Income; Appendix I to IV with Tables.

## RECOMMENDATIONS

Immediate steps should be taken first to survey and map the unsurveyed areas and that, secondly, in the non-reporting areas and in areas where no satisfactory reporting agency exists, steps should be taken gradually to establish such an agency.

In such areas which are either unsurveyed or where no satisfactory agency exists to report the area statistics, the statistics might be obtained on a sample basis with appropriate sampling procedure. The work might be done by the Statistical Bureaus, Departments

of Agriculture or the Revenue authorities of the respective State Governments. Some of the State Governments might need either technical or financial assistance in this matter; we recommend that this should be made available to them.

While the basis of area reporting by the revenue agency should be primarily the same as it is at present, the total coverage should be attained over a number of years, say, five so that every year the crop areas would be reported from only, say, one-fifth of the villages. The procedure should be carefully distinguished from the general principle of Sample Surveys.

An integrated examination of all price statistics, agricultural and non-agricultural, by a single body is likely to prove useful and economical.

Regarding the statistics of livestock the present quinquennial census of livestock should be converted into annual partial census with full coverage to be attained in five years.

A stricter definition of forest area should be introduced and the present practice of including certain lands not under forest should be avoided.

The improvement of data relating to employment and production in small-scale industry thus constitutes a difficult problem. Nevertheless, in view of the importance of this sector from many points of view, it is necessary that systematic attempts be made to collect information relating to it. We recommend that State Bureaus should pay particular attention to this field, especially in relation to employment and earnings therein.

That (a) an annual report should be prepared by the Central Ministry of Transport bringing together all available statistical data regarding State Transport Undertakings and (b) structural studies of the type we have indicated in regard to agriculture, livestock, small industry and trade should also be undertaken in respect of all forms of urban and rural transport.

An attempt should be made to muster together all statistics of wage or salaried employment from all possible sources for the period approximating the census period and compare them with the corresponding census statistics.

State Governments should collect annual data on the subject by conducting surveys of employment and earnings in rural areas.

As regards domestic servants their income studies

should be undertaken in different regions of the country in both urban and rural areas.

Close liaison should be established between the NSS and the Research Programme Committee of the Planning Commission; and that a joint body drawn from this Committee and the ISI should be set up to look after the work of the NSS in connection with National Income work. This joint body should make periodic reports to the Research Programme Committee and, through them, to the Planning Commission who will then determine how and to what extent this work should be modified, strengthened and expanded. In this manner, full use could be made by the country of sampling techniques and statistical and economic organizations in improving the coverage and quality of National Income data, strengthening the field of fruitful economic analysis, and enabling its use for purposes of planning and economic development.

#### **Institutional Set-up For Continued Work In National Income**

The basic work is that of compilation. For this purpose we recommend that the NIU be placed on a permanent basis. The main work of the NIU will be the compilation of annual estimates of National Income and its various breakdowns based on a study of all continuing series of governmental statistics and other ancillary information. The estimates prepared by the NIU should be presented in the form of an annual paper analogous to the White Paper on National Income in the United Kingdom.

This is the appropriate time for starting a National Income Conference. In this Conference, research workers both from private institutions and from Government departments should meet and discuss their problems and plan further lines of progress. We expect that the initiative in this matter would come from the research-workers themselves.

As it may take some time before a National Income Conference of the type envisaged in the last paragraph starts to function effectively, we recommend as an interim measure the setting up of a small Advisory Committee on National Income. The main function of the Committee will be to pass under review the annual paper on National Income prepared by the NIU and also other work in the field and to advise the Government on the institutional grants, scholarships and fellowships.

# FILM ENQUIRY COMMITTEE, 1949—REPORT

New Delhi, Ministry of Information and Broadcasting, 1951. 339p.

Chairman : Shri S. K. Patil.  
Members : Shri M. Satyanarayana; Shri V. Shantaram; Shri B. N. Sircar; Dr. R. P. Tripathi; Shri V. Shankar.  
Secretary : Shri S. Gopalan.

## APPOINTMENT

The Film Enquiry Committee was constituted under the Ministry of Information and Broadcasting vide their Resolution No. 36/3/48-F dated August 29, 1949.

## TERMS OF REFERENCE

(i) To enquire into the growth and organization of the Film Industry in India and to indicate the lines on which further development should be directed.

(ii) To examine what measures should be adopted to enable films in India to develop into an effective instrument for the promotion of national culture, education and healthy entertainment.

(iii) To enquire into the possibility of manufacture of raw film and cinematograph equipment in India and to indicate what standards and principles should be adopted for the import of raw film and equipment and for floatation of new companies.

## CONTENTS

Preliminary; Historical Review; The Film under the Law; The Film and the Public; Film Production; Film Distribution; Film Exhibition; Supply and Raw Materials and Equipment; Factors Affecting Industry; Recommendations; Appendix.

## RECOMMENDATIONS

The tax should be levied in a manner that it does not become an oppressive burden and does not have the effect of discouraging cinema-goers either from going there at all or from going to higher class of seats; in other words the revenues of the Government as well as the industry must expand in accordance with the expanding demand for films and not be subject to the Law of Diminishing Returns.

Means must be provided to bring stories to the producers, to train up and improve the quality of technicians, directors, artistes, etc., who are engaged in production, to ensure proper choice and handling of themes and their exploitation, and to see that the finished product conforms to certain accepted standards of decency, taste, quality and public education.

There is as much need for efficient and well-equipped institutions for teaching and training as there is for the development of an *esprit de corps* among the various professionals in the industry and for the organization of these professions on lines which would promote the maintenance of healthy codes of conduct and professional standards among the members of each profession.

On the organizational side we would recommend that early steps should be taken to set up a statutory Film Council of India as the Central authority to superintend and regulate the Film Industry, to act as its guide, friend and philosopher, and to advise the Central and State Governments in regard to various matters connected with the production, distribution and exhibition of films.

The Council should set up liaison agencies at each State headquarters to look after the interests of the industry and to advise State Governments on its behalf in regard to the various matters in which its advice may be sought.

It should be the aim of the Film Council to set up film colonies outside the city limits of the main production centres, located wherever possible in a green belt set apart by the Town Planning authorities.

We are separately proposing the setting up of training and teaching institutions of technicians, directors, artists, etc. In particular we are suggesting the institution of a Central Institute of Film Art as a first step in the evolution of a Film Academy. We would like these institutions to be run under the supervision and control of the Film Council.

The establishment of a Casting Bureau which would make for mobility of casual employees would in our view be helpful towards a solution of their problems.

We would also suggest an Educational Panel attached to the Film Council which should act in co-operation with the Ministry of Education at the Centre and the Departments of Education in the various States in order to develop the use of film in education.

The Council would have a Panel for Documentary Films, whose function would be to encourage and supervise the production of documentaries by private producers.

The Exhibition Panel of the Film Council should devise means for the periodical testing of the technical standards of the equipment in the various cinemas in the country and ensure that these are maintained suitably.

Both the Association of Producers and the Association of Artistes should arrive at a working arrangement by which no artiste is permitted to take part in more than two pictures at a time and that, in turn, the productions themselves must be completed within a reasonable time, say, six months, so that the artistes can feature in a maximum of four pictures in each year. Similarly the Association of Technicians should enter into arrangements with the Association of Producers regarding the rules for the training of apprentices and for the interchange of technicians between this country and others.

We would recommend that the Government should set up the Production Code Administration as soon as possible.

The functions of the P.C.A. should be the same as those of the P.C.A. in America. It should have four regional branches in Delhi, Calcutta, Bombay and Madras, and a Central Office the location of which could be decided later. Each Regional Committee should have five members and a Chairman (to be nominated by the Government)—the members to represent as far as possible the regional languages.

Only a nominal fee should be charged by the P.C.A. to be set up, and that its budget should be met from the Film Council Fund. For the period the P.C.A. is operated by the Government, a monetary limit may be fixed, as in the case of the Boards of Censors, to the contribution from the Film Council Fund towards its operation of expenses.

The Production Code Administration should be entrusted with the work of approving films for purposes of export outside India.

That legislative action should be taken immediately to declare the control of production of films by the Union expedient in the public interest and thereby to entrust full responsibility for the production side of the industry to the Central Government.

The regulation of cinemas would also prove more satisfactory if, as originally, the rule-making powers were retained at the Centre. A comprehensive code of regulations should, in our opinion, be drawn up by the Centre and made uniformly applicable to all places of public resort in all States of the Union. In addition, the Centre should also draw up a brief code covering cinemas in particular with special reference to the layout and safety devices in the projection booths as well as to the question of visibility of the screen from all the seats in the auditorium. The regulations in regard to projection booths should, however, be reduced to the minimum in the case of cinemas which show exclusively safety film.

In any show there should not be a display of pictures on the screen for a duration in excess of 120 minutes without interruption. Shows of longer dura-

tions should be split up so that each part does not exceed the duration mentioned above and is separated by at least 10 minutes from the next part of the show.

Establishment of a Film Finance Corporation is urgent and essential.

The fee charged from producers for the issue of a certificate should be nominal.

Cinema films should be exempted from the Octroi and Terminal Taxes.

In the case of artistes, we recommend that their earnings should be treated as professional income and that they should be permitted to pay income-tax after deducting all expenditure for professional reasons.

The licences granted to touring cinemas should enable them not merely to visit all parts of a district but also to move from one district to another within the same State.

We would recommend to the Film Industry the production of pictures with an eye on the different export markets. We consider that even in Western countries the exhibitors might be able to find a market for Indian films since people there demand a certain amount of variety in their daily fare, and Indian producers should consider the possibility of producing English versions of features which, they feel, would have universal appeal or special appeal to Western audiences; versions of pictures for export to the West could also be made by using sub-titles and captions.

Films in Indian languages imported from abroad should not be permitted to circulate in this country unless in each case the Production Code Administration are convinced that the film possesses special merit by way of being a classic or of great educational, historical or artistic value.

The practice of sending students abroad for basic training in cinematography which had been in force in the immediate post-War years need not be revived. The academic training they received in educational institutions, mainly in the United States, could easily be provided in this country, and we recommend the starting of an Institute of Film Technique for training all categories of technicians including directors.

The Institute should be located in Bombay and that both for purposes of basic training and for field training the resources of the Films Division should be made available to the students of the Institute.

In field-training, it is necessary that aspiring young men should have opportunities to work under people with originality and imagination, in circumstances where these two qualities can be exercised. In India the production of short films is carried on at present mainly under Government auspices. Their organization can, therefore, be used for providing field training to technicians who have had basic training.

No control over raw film would be effective unless there is control over distribution.

In all States visual education, whether in the classroom or in the rural areas, should be developed hand in hand.

In the field of adult education through the film, we feel that the ground covered by the use of mobile vans cannot be extensive and we therefore recommend the establishment of open-air theatres in rural areas. These should be put up by local authorities to suit the climatic conditions of the place and should be made available for free cinema shows where instructional

and informative short films are screened for the benefit of the public. The same theatres could be used for the encouragement of local talents in music, dancing or acting.

The Film Council should bring out a journal containing sound criticism of current productions, and we would further recommend that in their selection of reviewers they should pay special attention to the essentials that we have mentioned above and by granting awards to the best piece of criticism or to the best work on film craft they should encourage qualified critics.

## CRIMINAL TRIBES ACT ENQUIRY COMMITTEE, 1949—REPORT Delhi, Manager of Publications, 1951. 177p.

**Chairman :** Shri Ananthasayanam Ayyangar.

**Members :** Shri A. V. Thakkar; Shri K. Chaliha;  
Shri V. N. Tivary; Sardar Gurbachan Singh; Shri J. K. Biswas.

**Secretary :** Shri P. C. Dave.

### APPOINTMENT

The Criminal Tribes Act Enquiry Committee was constituted under the Ministry of Home Affairs vide their Resolution No. 22/1/49-Police-I dated September 28, 1949.

### TERMS OF REFERENCE

(i) To enquire into the working of the Criminal Tribes Act, 1924, in the Provinces; and

(ii) To make recommendations for its modification or repeal.

### CONTENTS

Introductory; Historical; Criminal Tribes; Working of the Criminal Tribes Act in the States; General Observations and Recommendations; Summary of Conclusions; Appendices.

### RECOMMENDATIONS

#### General

Given proper opportunities and systematic help, it is neither impossible nor even difficult to reclaim the so-called Criminal Tribes. The problem requires to be tackled from three sides—economic, educational and social.

#### Working Of The Criminal Tribes Act

This would have been useful if a definite period, after which registration of a Criminal Tribe member

should be cancelled, was fixed in the rules issued under the Criminal Tribes Act by the States.

The tented accommodation provided in the Reformatory Settlement at Amritsar, Punjab State, requires to be replaced by suitable buildings, and there is scope for improving the wages of the settlers in that settlement.

In Fazalpur Settlement (Uttar Pradesh), it was observed that undue strictness was shown in registering persons and more attention was required for satisfactory employment of all the able-bodied people in the settlement and for other welfare work.

The institutional life in the Reformatory School, Amritsar, requires to be made more attractive by introduction of more games and by giving more personal liberty to the boys. The system of releasing boys on probation also requires to be introduced early.

The Rajasthan Government should intensify the reclamation work among the Criminal Tribes by opening schools in every colony and by providing the Criminal Tribe members more facilities for agriculture.

#### Recommendation For The Repeal Of The Criminal Tribes Act And Reasons For The Repeal

A provision in Section 3 of the Criminal Tribes Act, 1924, is against the spirit of our Constitution. The Act indirectly sanctions begar or forced labour which is an offence under the Indian Penal Code and is opposed to the International Labour Convention and also Article 23 of the Constitution of India.

The Criminal Tribes Act, 1924, should be replaced by a Central legislation applicable to all habitual offenders without any distinction based on caste, creed or



birth and the newly formed States included in Parts B and C of the First Schedule to the Constitution, which have local laws for the surveillance of the Criminal Tribes, should be advised to replace their laws in this respect by the Central legislation for habitual offenders, when passed.

The ordinary criminal and police laws are not adequate for the surveillance and control of the habitual offenders and it is necessary to have a Central legislation providing for the adequate surveillance and control of the habitual offenders.

There is no necessity to provide for the restrictions of ordinary wandering gangs.

The State Governments may be advised to use Section 401 of the Criminal Procedure Code more frequently in case of habitual offenders on condition that they live in specified Settlements for the unexpired portion of their sentence.

#### Provisions Recommended For Inclusion In The Proposed Restriction Of Habitual Offenders Act

Section 562 of the Criminal Procedure Code should be so amended that in necessary cases the courts could pass orders of restriction or detention in a Settlement for training in craft or industry even on a first offender.

A person who has two convictions for any non-bailable offences under Ch. XII, XVI and XVII of the Indian Penal Code, including an order under Section 118 of the Criminal Procedure Code within five years just before the date of issue of the Notification, may be notified as a habitual offender and on such Notification he should be liable to report his residence, change or intended change of, or absence or intended absence from his residence and also to allow his finger impressions to be recorded.

Section 565 of the Criminal Procedure Code should be suitably amended so as to empower the courts to order restriction of or confinement in Settlements of persons convicted by them under the penal law in lieu of part or whole of the sentence of imprisonment passed against such persons.

The courts should be empowered to order restriction of movements to a certain area or detention in a Settlement in lieu of an order to furnish security under Section 118 of the Criminal Procedure Code. A court acting under Sub-Section 3 of Section 123 of the Criminal Procedure Code or an Appellate Court, acting under Section 406 of the Criminal Procedure Code, may also be authorized to pass an order of restriction or detention in a Settlement in lieu of an order requiring a person to give security under Section 110 of the Criminal Procedure Code.

Habitual offenders who have not less than 3 convictions for non-bailable offences under Ch. XII, XVI and

XVII of the Indian Penal Code spread over a period of five years immediately before the date on which the new Act comes into force and who are at present in the Settlements may be ordered to be detained in the Settlements for three years by executive orders.

A habitual offender, who is ordered to be detained in a Settlement, should be allowed to bring his wife and other dependants to the Settlement but he should be responsible to see that his dependants obey the Settlement rules.

When an order of detention in a Settlement is passed against a habitual offender, the detention should be ordered for a minimum period of two years.

Settlements should be directly managed by the Government through their Welfare or Labour Departments. In no case should management of Settlements be entrusted to the Police Department.

There should be a general provision for separation of children of habitual offenders from their parents and placing them in residential schools and children falling under particular categories should invariably be removed from their parents and placed in such schools.

Where special laws for the treatment of children are in force, action against the children of habitual offenders should be taken under such laws as far as possible.

Children should be committed to schools for a sufficiently long time.

No provisions similar to Sections 23, 24, 26 and 27 of the Criminal Tribes Act, 1924, are necessary in the new Act.

Incidental provisions that may be considered necessary and provisions for making rules for the proper administration of the Act may be made but, unless the breach of rules is for the purpose of committing offences, the punishment should be light.

#### Action Suggested To Be Taken Pending The Repeal Of The Act

The system of automatic registration of members of the Criminal Tribes, on their attaining a particular age, is neither necessary nor desirable and pending the repeal of the Act, the existing powers of exempting persons from registration should be liberally used in the case of all persons other than those who have been proved guilty of offences or reasonably suspected of such offences. It is suggested that registration of members of the Criminal Tribes, who are not convicted of any offences or are not reasonably suspected of any offences during the last three years, may be cancelled.

Pending the repeal of the Act, the preliminary enquiry under a proviso to Section 16 of the Criminal Tribes Act should be carried out by a judicial officer

giving adequate opportunity to the Criminal Tribe members, likely to be affected, to urge their reasons against the proposed internment order.

Pending repeal of the Act, the administration of the Criminal Tribes Act, 1924, should be liberalized and no new tribe should be notified as a Criminal Tribe.

## Suggestion For The Amelioration Of The Criminal Tribes After The Repeal Of The Act

Suitable steps for the amelioration of the Criminal Tribes should be taken after the repeal of the Act.

The Central Government should make a liberal contribution not exceeding 50% to the State Governments for the initiation and execution of the schemes for a period of 10 years in the first instance.

## COMMITTEE ON STATE TRADING, 1949—REPORT

New Delhi, Ministry of Commerce, 1950. 119p.

Chairman : Dr. Panjabrao Shamrao Deshmukh.

Members : Shri Prabhudayal Himatsingka; Shri H. V. Kamath; Shri B. P. Jhunjhunwala; Shri S. V. Krishnamoorthy Rao; Shri R. N. Goenka; Shri N. Dandekar (resigned).

Secretaries : Shri V. L. Goswami; Shri B. N. Adarkar.

### APPOINTMENT

The Committee on State Trading was constituted under the Ministry of Commerce vide their Resolution

TP(P) (1)/49 dated October 8, 1949.  
No. 11.

### REFERENCE

### TERMS OF REFERENCE

- to study and report on the following matters in regard to present-day conditions and future trends of India's international trade, up to a State-owned or State-sponsored organization for handling any sector of the foreign trade of the country; organization should be and what the field and scope of the activities of the organization should be.

### CONTENTS

Introductory; Main Features of the Foreign Trade Situation; State Trading in Imports; State Trading in Exports; General Considerations Affecting State Trading; Organization of the State Trading Corporation; Summary of Conclusions and Recommendations; Appendix I to IV.

### RECOMMENDATIONS

The question of stores purchase and disposals be taken up for separate examination.

Barter agreements should be resorted to only in exceptional circumstances, and in all other cases the normal type of agreement should be the one in which the two parties commit themselves only to license specified quantities of goods for export or import.

Violent fluctuations in imports could be prevented by effecting certain procedural improvements in the existing system. A rationalization of the Import Control Policy and Procedure is one of the most urgent problems which deserve the Government's attention.

A State Trading Corporation can, however, sponsor negotiations on behalf of private importers and exporters with considerable advantage to them and to the country as a whole. In view of the growing trend towards the establishment of monopolies in other countries, traders in this country should be encouraged to resort to collective bargaining.

It is only when the commodity in question is suitable for State trading that the possibility of raising revenues for the State should be considered as an additional justification for resorting to State trading.

Imports of foodgrains on Government account should, in future, be handled by the State Trading Corporation.

State trading in fertilizers should be continued in order to eliminate middlemen's profits and to ensure that fertilizers are made available to State Governments at reasonable prices so as to enable them to carry out the "Grow More Food" Campaign effectively. Unsound practices like underinvoicing of exports of jute manufactures should be dealt with through a stricter enforcement of exchange control.

It should be one of the functions of the State Trading Corporation to advise the Government on the desirability of adopting State trading for the purpose of price discrimination in individual cases on a consideration of the merits of each case.

The question of utilizing national banking, shipping and insurance services to the fullest possible extent in connection with all Government transactions should be given urgent consideration.

The State Trading Corporation should be developed as a model enterprise, adopting modern methods

of business administration, publicity, market research, etc., and thus setting an example to other business enterprises.

A State Trading Corporation to be called "The Indian Commercial Corporation" should be established by statute. The amount of authorized capital and the initial issue may be settled after a detailed examination by the Government. Not less than 51% of the

capital should be held by the Central Government, and the balance offered to State Governments and private investors.

No statutory limit need be placed on the borrowing capacity of the Corporation.

Early steps should be taken towards the organization of a well-trained economic and commercial service on a permanent basis.

## RURAL BANKING ENQUIRY COMMITTEE, 1949—REPORT

Delhi, Manager of Publications, 1953. 214p.

Chairman : Shri Purshottamdas Thakurdas.

Vice-

Chairman : Shri C. H. Bhabha.

Members : Shri B. Venkatappiah; Shri Ram Gopal;

Shri V. R. Sonalker; Shri J. C. Ryan.

Secretary : Shri N. D. Nangia.

### APPOINTMENT

The Rural Banking Enquiry Committee was constituted under the Ministry of Finance vide their Resolution No. F. 4(196) FI/49 dated November 8, 1949.

### TERMS OF REFERENCE

(i) To consider the measures that can be immediately adopted for the extension of banking facilities in rural areas;

(ii) To review in this connection the present arrangements for the management of the cash work at Government Treasuries and Sub-Treasuries including those where the work is at present being managed by the Imperial Bank of India;

(iii) To consider to what extent the extension of banking facilities will be facilitated by entrusting the cash work at Government Treasuries and Sub-Treasuries at places where the work is not at present being managed by the Imperial Bank of India to commercial banks and co-operative banks, and in this connection to consider:

(a) The future management of such work in the Provinces of India as well as in the States and Unions whose financial integration with the Indian Union will take effect from April 1, 1950; and

(b) To what extent the management of the cash work in Government Treasuries and Sub-Treasuries could be entrusted to either a new State-sponsored bank or to one or more of the existing commercial banks or co-operative banks; and the conditions to be

fulfilled by and the assistance to be given to such banks;

(iv) To make recommendations in regard to the banks which may now be handling the Treasury work in the States and the Unions; and

(v) To make any other recommendations.

### CONTENTS

Part I: Preliminary—Introductory; Scope and Objects of the Enquiry; Part II: Extension of Banking Facilities—Present Position of Banking Facilities; Mobilization of Rural Savings; Machinery for Rural Credits; Proposals for the Extension of Banking Facilities; Part III: Treasury Arrangements in the Provinces—Treasuries and the Extension of Banking Facilities; Desirability and Feasibility of a Multi-agency System; Future Role of the Imperial Bank in the Banking and Treasury Set-up; Part IV: Treasury Arrangements in the States—Necessity for Separate Treatment; Proposals Regarding Individual States; Part V: Formation of a New State-Sponsored Bank; Part VI: Summary of Conclusions and Recommendations; Appendices.

### RECOMMENDATIONS

#### Present Position Of Banking Facilities

Post Office Savings Banks are the most widespread governmental agency; they enjoy the confidence of the people, and can be developed to collect the savings of the rural people to an increasing extent.

The diversity of banking institutions is inherent in the variety of conditions and circumstances obtaining in different regions of this country, and is the natural consequence of historical circumstances. The differing requirements of people cannot all be provided by one set of institutions and all the various types of institutions have their place in the banking system. What is

necessary is to ensure co-ordination in their activities and the maintenance of a minimum standard of soundness, efficiency and service to the people.

### Mobilization Of Rural Savings

Under existing conditions it would be advisable to concentrate on the consolidation of the progress already achieved, and to plan further expansion on sound and cautious lines rather than undertake any costly and hasty schemes of expansion of the banking system on the basis of overoptimistic expectations. Such expansion would have to be conceived largely from the point of view of bringing within the framework of the banking system the savings already accumulated and being currently made by the relatively well-to-do rural classes, particularly in the more prosperous regions. To this end, encouragement should be offered to sound commercial banks to open offices as near the rural areas as possible.

For the smaller people in rural areas, emphasis will largely have to be placed on the expansion and more effective utilization of machinery like Post Office Savings Banks and co-operative societies. Attempts will also have to be made to promote Thrift and Small Savings by means of propaganda, and group effort utilized to the maximum possible extent.

Apart from inculcating the habit of thrift, necessary at all times to promote self-help and self-reliance, it is essential, in the changed political conditions, that all sections of the community should contribute to the general uplift of the country.

### Machinery For Rural Credit

Attention should more properly be concentrated on building up the institutional machinery for rural credit.

The establishment of a single financial agency to cover the entire field of rural credit would not be feasible in existing conditions, and in each region a varied and adequate machinery should be developed in conformity with local conditions.

In any scheme for a sound and efficient system of agricultural finance, sufficient emphasis must be laid on the building up of a sound structure of primary institutions—whether co-operative credit societies or multipurpose societies.

While the establishment of new organizations, e.g., Agricultural Credit Corporation or Agricultural Banks may be necessary in some regions such as the former Indian States, full use should be made of the existing institutions.

Separate institutions would be necessary to provide long-term credit, and land mortgage banks are the most appropriate agencies for this purpose.

A satisfactory machinery to deal with the credit

needs of "disadvantaged" farmers will have to be developed gradually and the task will, in the first instance, have to be undertaken on an experimental basis.

### Proposals For The Extension Of Banking Facilities

There is some scope for extending facilities for the receipt of deposits by an expansion in the number of branches of sound banks in semi-urban and rural areas, and of Post Office Savings Banks. The need of the rural areas for advances is considerable, and is capable of continued increase. Co-operative institutions are the most important agencies for providing credit and should, therefore, receive special attention and assistance.

The Imperial Bank and other commercial banks should be allowed and encouraged to expand up to taluka (or tehsil) towns, mandis or market towns, or other towns of some commercial or industrial importance. An expansion in the number of offices of the Imperial Bank is desirable in the interest of the rural areas as well as of the banking system as a whole. Co-operative banks can be established in the larger as well as smaller towns, and can go deeper into rural areas than commercial banks. Small villages can only be served by co-operative societies and rural Post Office Savings Banks.

Existing legislation concerning money-lending, debt relief and allied matters should be reviewed and amended so as to place commercial banks on the same footing as the co-operative institutions.

Liberalization of remittance facilities would encourage banks to open branches in the countryside and would lead to other beneficial results.

The Reserve Bank should see that adequate facilities are made available throughout the country for the conversion and exchange of notes and coins. The Imperial Bank should examine the feasibility of adopting at its branches the system of accepting tenders, where they are unduly large, on a guarantee basis.

Co-operative banks and societies would need special assistance and some subsidies in addition to the concessions and privileges they are already enjoying.

The procedure and working of the Post Office Savings Bank should be examined in detail by an officer with banking experience.

### Treasuries And The Extension Of Banking Facilities

Steps should be taken to convert non-bank treasuries into bank treasuries at as many centres as possible.

The question of opening offices by the Imperial Bank at places where the treasury turnover may not be large but where the potentialities of general banking business are good should also be examined.

To encourage the Imperial Bank to expand further on the proposed scale, the rate of commission on turnover at its new branches and treasury pay offices should, at any rate for a period of five years, be fixed separately.

Urgent steps should be taken towards the reorganization of treasuries for improving their efficiency and for enabling them to provide certain basic facilities essential for the extension of banks to the less developed areas.

The present practice of making payments by means of pay orders on the original bills should be replaced by the system of payment by cheques to as large an extent as possible.

#### Desirability And Feasibility Of A Multi-Agency System

It would not be in the interest of the country to do anything which will weaken or impair the organizational and financial strength of the Imperial Bank towards the building of which much of the nation's efforts and resources have been spent. The present unsatisfactory features of the working of the Imperial Bank can be remedied by legislative and other measures.

The cash work at treasuries and sub-treasuries in the provinces at centres where the Reserve Bank is not established should, therefore, continue to be handled either by the Imperial Bank as agent of the Reserve Bank, or by the Government themselves.

#### Future Role Of The Imperial Bank In The Banking And Treasury Set-up

The role of the Imperial Bank in the future banking and treasury set-up of the country should primarily be that of an auxiliary to the Reserve Bank.

The Imperial Bank should continue its commercial activities, and the existing restrictions on its business are considered sufficient.

#### Necessity For Separate Treatment

Every State should appoint the Reserve Bank as its banker and entrust it with all its monies and balances, free of interest. The Reserve Bank must also be entrusted with all the remittance, exchange investment and other banking transactions as well as with the management of the public debt of each State. Any other bank can handle the cash work of any State but only as the agent of the Reserve Bank.

#### Proposals Regarding Individual States

**Hyderabad :** The Reserve Bank should be appointed as bankers to the State, and the various central banking functions of the Hyderabad State Bank should be transferred to that bank.

The Hyderabad State Bank should be appointed as agent of the Reserve Bank in the State for five years,

and be permitted to manage cash work at treasuries and sub-treasuries at centres where it was managing the work on April 1, 1950.

**Madhya Bharat:** The present arrangements for the conduct of cash work should be continued except at Indore where the Imperial Bank should undertake State Government business in addition to that of the Central Government which it is managing at present as agent of the Reserve Bank.

**Mysore:** At Bangalore, the cash work may continue to be handled by the Imperial Bank, but this should be done under its general agreement with the Reserve Bank. As soon as possible, the Reserve Bank should establish an office, and take over Government business and the custody of the chest from the Imperial Bank at Bangalore.

**PEPSU:** With the appointment of the Reserve Bank as bankers to the State it will be unnecessary for the State Government to maintain balances with any other bank, and the accounts maintained by the State Government with the various banks inside and outside the State should be closed.

The monopoly of general banking business and other extraordinary concessions enjoyed by the Imperial Bank should be terminated.

**Rajasthan:** The Imperial Bank should be appointed agent of the Reserve Bank at Sambhar, Jodhpur and Alwar and entrusted with the cash work of the Central and State Governments at those centres. As soon as the agreement with the Bank of Jaipur expires, the Imperial Bank should also be appointed agent of the Reserve Bank to manage Government business at Jaipur.

**Saurashtra:** The Imperial Bank may continue to be entrusted with treasury work at Rajkot, but this should be under its general agreement with the Reserve Bank and not under a separate agreement with the State Government.

At the remaining centres, the State Government should arrange for the cash work at treasuries and sub-treasuries to be carried on departmentally.

**Travancore and Cochin:** The Imperial Bank which is at present managing the Central Government treasury work at Trivandrum should also be entrusted with the business of the State at that centre under its general agreement with the Reserve Bank.

The Central Bank may continue to handle the State Government cash work at Ernakulam and at the sub-treasury at Trichur on the existing basis until the expiry of its present agreement on February 1, 1951. Thereafter, the Government must make their own arrangements for the management of the work.

At the remaining centres, the State Government should continue to carry on the work through their own staff.

#### **Formation Of A New State-Sponsored Bank**

The present organization of the Reserve Bank is

inadequate to meet the requirements of the country, and energetic steps should be taken to secure the establishment of a branch of the Bank at the headquarters of each of the major Provinces and States, special attention being paid to the requirements of States where the Reserve Bank has no office at present.

# 1950

## DELHI IMPROVEMENT TRUST ENQUIRY COMMITTEE, 1950—REPORT

New Delhi, Ministry of Health, 1951. 2 Vols.

**Chairman :** Shri G. D. Birla.

**Members :** Dr. Bakhshi Tek Chand; Shri Deshbandhu Gupta; Shri B. Shiva Rao; Dr. Yudhvair Singh; Shri Amar Nath Nanda (died).

**Secretary :** Shri K. K. Sharma.

### APPOINTMENT

The Delhi Improvement Trust Enquiry Committee was constituted under the Ministry of Health in 1950.

### TERMS OF REFERENCE

(i) To review the working of the Trust and in particular to examine and report on the difficulties, if any, experienced by the Trust in fulfilling the targets originally fixed.

(ii) To advise, keeping in view the rapid growth of population and prevailing high land values in Delhi, what should be the Trust's policy as regards housing, especially poor class housing.

(iii) To fix new targets (immediate and long-term) for the Trust and make suggestions for giving it adequate financial and other resources for their attainment.

(iv) To examine whether any, and if so, what changes should be made in the Constitution of the Trust.

### CONTENTS

Volume I: Introductory; A Review of the Working of the Delhi Improvement Trust; The Problem; The Solution; The Authority; Targets; Summary of Major Conclusions and Recommendations; Volume II: Appendices.

### RECOMMENDATIONS

There should be a single Planning and Controlling Authority for the whole of the urban area of Delhi. It should be an independent Authority with a non-official majority.

The Authority should be given extensive planning

powers. In matters of actual development, the Authority should provide collective services (i.e., high-ways, water mains, sewerage and lighting); the internal development of developable areas should be left to private parties. The Authority should have powers to recover the cost of collective services from private parties.

As regards areas with a bad layout, the Authority should have the power to pool compulsorily all the plots owned by different persons and re-divide the land among the former owners, after reserving a portion of the area for public amenities.

Facilities should be provided for the provision of land and building materials at reasonable rates to local bodies, co-operative societies, business societies, associations, private parties, etc., together with cheap credit facilities.

The first option to clear and rebuild a slum area should be given to its owner. Should he fail to co-operate the slum should be cleared by the Authority at his expense, acquired, developed and disposed of.

The Authority should have the power to enforce the carrying out of repairs or minor works in the case of sub-standard buildings situated in a slum area.

The following sources of income should be placed at the disposal of the Authority:

(i) Two per cent of the gross annual income of each Municipal or Notified Area Committee.

(ii) Proceeds from a surcharge of 2% on stamp duty on transfer of property.

(iii) Proceeds from a terminal tax of half-an-anna on passengers coming by rail to Delhi.

(iv) The entire net proceeds from the Entertainment Tax.

(v) Proceeds of tax on the presentation of building applications within the scheme areas of the Authority.

The Authority should be a financially autonomous organization.

The Authority should be allowed to raise loans in the open market.

## FOODGRAINS PROCUREMENT COMMITTEE, 1950—REPORT Delhi, Manager of Publications, 1950. 186p.

Chairman : Shri M. Tirumala Rao.

Members : Shri C. P. K. Menon; Shri E. N. Mangat Rai; Shri R. P. Noronha.

Secretary : Shri C. Banerji.

### APPOINTMENT

The Foodgrains Procurement Committee was constituted under the Ministry of Food vide their Resolution No. Py. I-619/117/50 dated February 8, 1950.

### TERMS OF REFERENCE

(i) To enquire into the systems of procurement and distribution adopted in the States;

(ii) Recommend such changes as may be necessary in the existing system of procurement and distribution to minimize imports in the case of a deficit State and to maximize exports in the case of a surplus State, and to reduce the difference between the prices in the market and the prescribed control prices;

(iii) Recommend such modifications as may be necessary in the food organization of the State to ensure efficient procurement and distribution;

(iv) Recommend the extent to which uniformity in the systems of procurement and distribution in the country as a whole is desirable and practicable with

reference to the circumstances prevailing in the different areas;

(v) Recommend any changes necessary in the Central Government's organization to supervise and co-ordinate procurement and distribution in the States.

### CONTENTS

Introduction; Food Policy and Organization, Uniformity of Systems and Miscellaneous Considerations; The Monopoly Procurement System; The Punjab; The Patiala and East Punjab States Union; Uttar Pradesh; Rajasthan; Madhya Bharat; Saurashtra; Bombay; Hyderabad; Madhya Pradesh; Bihar; West Bengal; Assam; Orissa; Mysore; United States of Travancore-Cochin; Madras; Other States; Appendices I and II.

### RECOMMENDATIONS

Food Policy And Organization, Uniformity Of Systems And Miscellaneous Considerations

The Regional Food Commissioners' Organization: We believe that this organization could prove most useful for the purpose. It is decentralized, and can, therefore, achieve the degree of detailed knowledge required to be constructive, rather than the theoretical and irritating. If, however, the Regional Food Com-



missioner is to really assist State Governments, he must be an officer of adequate experience and knowledge to be able to advise States usefully; and, conversely, to effectively bring their special peculiarities and problems to the notice of the Centre; he must have sufficient status and personality to be able to take up problems, at the highest level, with both States and the Centre; and he must have adequate vision not to take either a merely technical and rigid or a vague view of his responsibilities and duties. These are no small qualifications, and men for these most important posts should be carefully selected.

The Regional Food Commissioner's primary and main duty should be, as a representative of the Centre, to perform the functions of the co-ordinating, supervisory authority, in the Region, for which purpose he must maintain intimate contact, both with State Governments and the Centre, regarding both policy and administrative matters.

It follows from this that the Regional Food Commissioner must be a carefully selected officer, with adequate experience of practical administration, knowledge of the people and personality; and that the post must be adequately paid to ensure this. We consider that the minimum qualification for this post should be administrative experience, of at least five years, of the post of Collector (or Deputy Commissioner), or its equivalent, and a first-class record of work. Actual experience of food work should, wherever available, be considered an additional qualification.

#### Deputy Regional Food Commissioner

The appointments of Deputy Regional Food Commissioners, posted in individual States within a Region, are in our opinion quite ineffective and unnecessary, and should be abolished.

#### At The Food Ministry

We have been impressed with the need for two whole-time officers at the Ministry to co-ordinate and supervise procurement and distribution operations.

### THE PUNJAB

#### Special Recommendations To Assist Procurement

This State is a close neighbour of Uttar Pradesh, Delhi, Rajasthan and PEPSU. It is most important that parity control prices should be introduced, and enforced, in this whole area; otherwise the strain on the administrative machinery in a State where prices are controlled may well become intolerable.

The State Government is at present financing food-grain operations. In the circumstances of the State, owing largely to money being shy in the immediate neighbourhood of Pakistan, finance by the Trade is

not practical. Since the Rabi crop, which represents the main production in the State, arrives in markets in a concentrated period of two or three months, the funds involved are very considerable and it is possible that the State Government may find it difficult to provide these in full.

The system of monopoly purchase, which assumes normal marketing by the producer, depends very much for its success on confidence and belief on the part of the consumer, the trader and the producer that the Government is able to meet food requirements. For such confidence, the maintenance of an adequate reserve is essential and the State Government should be encouraged to maintain such a reserve.

### THE PATIALA & EAST PUNJAB STATES UNION

#### Monopoly Procurement

We recommend that the monopoly procurement system should be established in PEPSU for wheat, barley and rice.

A modified form of the monopoly procurement system should be introduced for wheat and barley for 1950.

The full monopoly should be introduced for rice during the coming Kharif 1950.

As soon as possible and in any event from Rabi 1951, the full monopoly should be made effective for wheat and barley.

#### Interim Period—Modified Monopoly For Wheat And Barley

In surplus districts the whole system should be introduced and a complete monopoly set up at the market, along with restrictions on movement, a limitation on transactions in villages, etc.

It is not possible to achieve Government financing of wholesale transactions in PEPSU immediately. This State should function, therefore, through Grain Dealers' Associations, acting as Government agents not only for purchase but for the financing, storing and maintaining of grain.

In deficit districts a complete monopoly should not be introduced and operations should be left to the trade. It is, however, necessary that the Government should ensure a guaranteed price to the grower throughout the State.

#### Distribution

In surplus areas distribution should be arranged by releases from local arrivals to authorized retailers and in deficit areas partly from local arrivals, which will be left to the trade, and partly by transfers from surplus areas. Wherever the Government distributes this should be on the basis of family cards and earmarking of particular retailers for specified card-holders. The

PEPSU Government should endeavour progressively to introduce a systematic distribution scheme so that this is established and is in working order by early winter when shortages may begin to appear.

In border and heavily deficit areas, it may be necessary for the Government to go further, from the very beginning, in introducing the complete monopoly system to prevent smuggling or difficulties in the availability of supplies.

#### Non-Monopoly Grains

The non-monopoly grains will be gram, maize and bajra. These grains should be purchased in the same way as in the neighbouring State of the Punjab.

#### Administration

In view of the comparatively small urban areas in PEPSU, it will not be necessary to have more than one whole-time District Officer in charge of both food and civil supplies work, who may be designated the District Food and Civil Supplies Controller.

#### Finance

The position regarding funds must be watched carefully, particularly during the period of peak arrivals, to ensure that the monopoly functions fully and that there is no discouragement of the producer in bringing grain to the market.

#### Advance Allocations

The Centre should allocate grain in advance of actual arrivals and the PEPSU Government and the Centre should ensure that all preliminary arrangements, such as finance from recipients, despatch instructions, arrangements for inspection, etc., are made in good time so that despatches can take place as soon as the grain arrives.

#### Reserves

It is essential that reserves should be built up and maintained to stabilize the system of purchase recommended here and the Government will have to take the necessary action in acquiring godown accommodation for this purpose and staff to maintain these reserves.

#### Prices

It is necessary that prices of foodgrains in PEPSU should be fixed and enforced in parity with those in the Punjab, U.P., Delhi and Rajasthan.

#### Transport

As financing of the monopoly is to be done largely by the trade, it is essential to ensure that their turnover is speedy so that they maintain sufficient fluid funds to meet the needs of procurement.

#### Supervision By The Centre

It is recommended that the Centre should review progress continually and remain in constant touch with the State Government, providing the necessary advice and pressure to ensure results.

### UTTAR PRADESH

#### Recommendations Limited By Actual Developments

The two biggest needs in Uttar Pradesh seem to be:

(a) To get market prices down to the procurement level; and

(b) To establish a settled, well-defined policy and an adequate standard of efficiency in enforcing it.

The cultivator should not be compelled to surrender grain which he has not produced.

He should not be given the choice to substitute one Rabi grain for another, but must supply the specific grain produced, according to the quantity produced, and the levy demand served upon him.

Movement bans should be constant throughout the year irrespective of the procurement season, and should be imposed on smaller and more compact areas than at present.

Rationing should be extended to all urban areas so that the demand on the remainder of the cultivators' surplus will be reduced and open-market prices brought down. As soon as the prices come down the Government should proceed to purchase also the balance of the surpluses offered by the cultivator, so as to meet its additional commitments.

#### Monopoly Procurement

The monopoly should apply to wheat, barley, rice, millets and maize; to gram also if the Uttar Pradesh Government considers necessary. For Rabi foodgrains, it has already been introduced but care must be taken to ensure that all its provisions, without exception, are enforced. In the case of Kharif foodgrains, it should be introduced from the harvest of 1950.

The monopoly should be enforced in all areas, both surplus and deficit for wheat, rice and barley. Maize and millets are probably local in production and consumption, and it may be possible for the Government to work the monopoly for them, by applying it only to producing areas.

The Government must ensure that the number of purchasing centres opened are adequate.

Special attention is required, in view of high prices, to the distribution side of the scheme, which means:

(a) That rationing and distribution should be undertaken to the fullest extent laid down by us in the Monopoly Scheme; and

(b) These arrangements should be as efficient as possible.

No free market, and this includes rural markets, should be allowed.

#### Additional Imports

The Uttar Pradesh problem is essentially that of prices. A steady price level can only be established by rationing and distribution, which will cut off competitive demand on supplies. It is imperative that rationing and distribution arrangements should be established and should not be withdrawn under any circumstances. It was in this background that a recommendation for additional imports, during the current year, was made in the Interim Report. In principle, this position remains unchanged. In fact, initial procurement has been satisfactory and, therefore, there may be no immediate need for such imports. It would, however, be a mistake to consider that these should be abandoned finally.

#### Prices

A suitable maximum price to start the monopoly scheme which would be Rs. 15 per maund for the best quality and proportionately less for other varieties.

#### Administration

In respect of all areas, other than statutorily rationed areas, we suggest that distribution should be in the hands of the Principal Procurement Officer in the district, so that he may be in a position to relieve shortages as and when they develop. The Collector should be the head of the food organization in the district.

### RAJASTHAN

#### Levy Scheme

The quantity left with the Jagirdars should be substantially reduced and only sufficient should be allowed for his *bona fide* requirements.

As Rajasthan is heavily deficit, we feel that there is no justification for permitting the cultivator to sell any part of his surplus except to the Government over and above the levy.

Rationing schemes will have to be tightened up and extended to all urban areas as well as deficit rural pockets as laid down for the monopoly.

The State Government should prepare a rough and ready list of holdings in the Jagirdari area so that some check may be exercised on the Jagirdars' own statement of rent paid in kind. In view of the deficit in Rajasthan the monopoly should be applied to all foodgrains and in all areas.

#### Distribution

There is no justification for allowing free sales to continue in statutorily rationed areas like Jaipur city,

because, as we have already pointed out, such sales act as a standing inducement to the cultivator to evade procurement because the price offered is much more than the procurement rate. Open sales in Jaipur city should be prohibited forthwith and the scale of ration should be made the same as is allowed in Jodhpur and Bikaner.

As regards the other 59 towns where distribution is against ration cards, the more important amongst them should be statutorily rationed and free imports and open sales should be banned.

In Jodhpur and Udaipur Divisions scarcity conditions are likely to get worse and it is, therefore, necessary that all rural areas should be informally rationed against family ration cards, at a slightly lower scale than in the towns.

#### General

We find that efficiency in the implementation of food schemes in this State could be considerably improved if the present confusion regarding pay scales of staff was removed.

A proper plan of control and co-ordination between the Revenue and the Food Staff should be worked out.

### MADHYA BHARAT

#### Monopoly Procurement

The levy should be abolished and a Monopoly Procurement System should be introduced.

The monopoly should be introduced for Kharif grains from the harvest of 1950 and for Rabi grains from that of 1951.

An adequate number of purchasing centres should be opened so that the monopoly draws grain from the producer.

Even in the intervening period before the monopoly is introduced, the open market should be closed immediately in rationed towns and in areas where a system of distribution, substantially amounting to rationing, is in existence.

In heavily deficit rural areas distribution should be systematized straightaway and should be against family ration cards.

A major difficulty in Madhya Bharat is lack of finance, which holds up and even stops procurement, at particular times of the year. Since the State is surplus it is in the general interest to remove this defect, and we recommend that the Central and State Governments should take it up immediately and evolve means to ensure adequate finance. If necessary, the Centre should finance procurement operations at a nominal rate of interest, and permit this interest to be passed on to the consumer or the recipient administration.

## SAURASHTRA

### Levy Plus Monopoly

The existing levy should continue in full.

In addition, the monopoly procurement system, with its concomitants in distribution, should be established for the Government to obtain the balance of surpluses available with producers.

In regard to existing rationed towns, rationing should be strictly enforced, and the present concession allowing consumers to bring in supplies against the cancellation of ration cards should be withdrawn immediately. The proposed concessions for gradual derationing should be abandoned.

Rationing should be extended to all important urban areas which, in the case of Saurashtra, we would describe as all towns where the present population is above 25,000. This will mean, in addition to the existing three towns, the Government introducing rationing in another 10.

The monopoly should be introduced with the arrival of the new Kharif crop.

## BOMBAY

### Universal Procurement And Universal Distribution

Bombay should now proceed to universal procurement and universal distribution, so that its net dependence on the Central Government resources may be reduced.

This recommendation, on the procurement side, would mean assessing each individual producer's total actual production, leaving with him his actual requirements and taking away the whole of the surplus. Such a system of procurement, considered in the background of the present arrangements in Bombay, implies:

(a) The calculation of the levy on the actual areas sown with food crops;

(b) Where rent is paid in kind, the assessment of the levy separately on the landlord and the tenant;

(c) Working out figures of production by assuming separate yields for each kind of crop in each area and calculating production on the full yield for soils above average and for irrigated areas;

(d) The levy to be paid in terms of the actual grain or grains sown and the abolition of interchangeability; and

(e) The preparation of levy bills, separately for Kharif and Rabi, and their modification according to what the producer receives, if anything, from the smaller of the two crops harvested by him.

### Extension Of Levy To Non-Levy Areas

The Committee recommended that the Bombay Government should consider the extension of the levy to the excluded homogeneous rice areas.

## HYDERABAD

### Possibility Of Reverting To Previous System Of Procurement

In the circumstances of Hyderabad a levy continues to be necessary and a monopoly alone will not meet the situation.

### Rationing And Distribution

We recommend:

(a) The rationing of all towns, with a population above 50,000, before the arrival of the new crop;

(b) An extension of rationing to towns, with a population above 25,000, as soon as possible after the new crop arrives; and

(c) The abolition of the 10 seers exemption in the monopoly; this should be reduced to 3 lb. The Government should substantially undertake the feeding of non-producers and underproducers who require grain in deficit rural areas.

### The Alternative Temporary Abolition Of The Monopoly

Movement bans, as between districts, should be maintained in full and, even within each district, as far as possible, movement should only be permitted within a group of villages, or from a group of villages to an unrationed town, which requires to be fed.

### Administration

The present duplicate system of administration, partly by direct Government agency and partly through the H.C.C.C., should be replaced by a unified administration.

The Civil Administrator or Collector should be in charge of food work in each district, both on the procurement and distribution sides.

He should be assisted, in each district, by a District Food Officer of the rank of Deputy Collector or similar status.

## MADHYA PRADESH

### Monopoly Procurement

We recommend that the Monopoly Procurement System should be introduced in Madhya Pradesh.

In the case of jowar and rice, which are Kharif grains, it should be introduced with the arrival of the 1950 Kharif crop. In the case of wheat its introduction will have to await the Rabi 1950 crop.

The prices fixed for the monopoly should be somewhat higher than present procurement rates, and thereafter should be fixed in parity with prices in the region.

### Non-Monopoly Grains

The non-monopoly grains will be, in order of importance, gram, barley and maize. The production

of the last two is negligible. The Government should continue to buy gram to the extent, and in such a manner, as it considers necessary. The price of these foodgrains should, however, be controlled in parity with monopoly foodgrains.

### Premium For Good Quality

In the case of superior rice the procurement price is fixed in terms of specifications which prescribe tolerance limits. No premium is allowed for rice, where the tolerance limit has been improved upon, with the result that the Government tends not to get any really first-class rice. It is recommended that the specifications should be amended so as to allow a premium for better quality than tolerance, or alternatively that a premium should be paid for this quality. The measure will have the effect of getting into Government hands some of the best rice produced.

## BIHAR

In North Bihar, there should be no procurement or price control. Movement should not be allowed from the North to the Centre and South of the State, and strictly banned from the Centre and South to the North. The latter must be isolated and any movements which take place will be on Government account only. This is quite practicable as the river forms an excellent barrier.

The Government should strictly ration all towns in the North, with a population of 25,000 and above.

The monopoly should apply to paddy, rice, wheat, gram, maize and barley.

It should be enforced from the arrival of the new harvest, in each case, that means for Kharif grains in 1950 and Rabi grains in 1951.

### Nepal Paddy

Fairly liberal quantities of the rice should be moved into North Bihar for rationed towns from the current procurement so as to depress the price level there at the beginning of the season.

The West Bengal tea estates should be prohibited from purchasing Nepal paddy. Purchases of such paddy should only be on Government account and at a fixed rate. If this rate is the same as the procurement rate for West Bengal, it is almost certain that the major part of the Nepal paddy will be rediverted to Bihar.

## WEST BENGAL

### Monopoly Procurement

Our recommendation for West Bengal is the Monopoly Procurement System.

The whole system should be introduced, on both the procurement and distribution sides, with the arrival

of the new crop. The Administration, particularly in districts, should be trained and informed of its duties well in advance of this.

In West Bengal, the Government will have to provide for the collection of grain, not only at the purchasing centre but also in the village. This implies, at the executive level, more careful and detailed check against abuse.

The monopoly implies a fixed guaranteed price. Steps will have to be taken to ensure that while the producer receives this, he does not get a higher price. This means the elimination of competition between agents.

The Government must appoint as agents, if it continues to use these, the best people available and merit must be the sole criterion for determining appointment.

The monopoly should be established in all areas, surplus and deficit.

### Illicit Movement

The rationed area of Calcutta might itself be divided into belts, movement from one belt to another being prohibited. More careful cordoning should be done in regard to such movements from the deficit districts of Hooghly and Howrah into the rationed area of Calcutta.

### Requisitioning

Before harvesting an exhaustive list of all producers with an estimate of their production should be made.

Actual disposal of the surplus by each producer should be watched.

### Administration

Food and Civil Supplies controls should be administered by the same department, under the same Minister.

In districts procurement and distribution should be under the same officer, who should be assisted suitably by staff to make it possible for him to perform these functions.

The district should be the unit of organization and the Collector should be in charge and responsible for procurement and distribution work.

The Food Administration should endeavour to retain personnel with experience of food work and not surrender trained employees to other branches of the Government. Recruitment of personnel for new posts should be done strictly on merit.

## ASSAM

### Monopoly Procurement With Defined Exemptions

The Monopoly Procurement System should be established in Assam.

With the start of the 1951 crop, full monopoly, on both the purchase and distribution sides, should be introduced.

### Procurement; Movement Control

A complete ban should be imposed on movements from surplus areas to places outside them.

Movement from surplus to deficit areas or between surplus areas or between deficit areas should be banned absolutely, and the many exemptions, at present a feature of the Assam Administration, should be eliminated.

### Procurement Centres

The setting up of an adequate number of procurement centres is, in our opinion, a fundamental precondition to any scheme of procurement in Assam. The general rule should be that there are enough procurement centres to ensure that a villager does not have to travel, however remote his village, a distance of more than 10 miles to bring his grain to the Government. In heavily surplus areas, or areas where there is danger of smuggling or of movement to a deficit district, the number should be larger.

### Government Monopoly

Transactions of five maunds and below may be permitted between producers and consumers direct. It should also be permitted, for a licensee under the Foodgrains Control Order, to buy up to five maunds in a single transaction and thereafter sell in retail to consumers, provided the total quantity he stores at any one time does not exceed a prescribed limit, of, say, 25 maunds.

All other transactions should be under Government monopoly.

### Finance

The scheme must provide, and this should be rigidly enforced, that payments are made to the miller or the procurement agent within three days of the offer of grain by him, even if the grain has not been despatched.

Inspection for quality should be done at the spot though there may be a system of superinspection, in order to keep a check on abuse.

The Government must have the finance to be able to pay immediately for all grain offered to it.

### Requisitioning

Produce hoarding is one of the main problems in Assam. In order to combat this, requisitioning from producers must be accepted as part of normal policy.

### Checks

A proper system of checks on millers and procurement agents buying for the Government should be introduced and enforced.

### Distribution

Open markets in rationed towns should be closed immediately so as to derive the maximum benefit, in procurement operations, from the fact of rationing.

In hill areas, where the Government has to provide regularly help in food, distribution should be put on a systematic basis.

Immediate arrangements should be made to put distribution to tea estate labour on a satisfactory basis.

### Administration

The District should be the unit of administration and the Deputy Commissioner should be in charge of operations, both on the procurement and distribution sides.

He should be assisted, in each district, by a District Food and Civil Supplies Officer.

### Help From The Centre—Finance

The provision of adequate funds to make immediate payment for procurement is basic to the whole scheme and we recommend that the Central Government should recognize that it must provide funds to the Assam Government.

### ORISSA

The procurement zones should be clearly demarcated and only one agent, or at the most two, should be appointed for each zone.

The number of centres for the procurement should be increased, so that purchasing depots are brought within five or six miles of every cultivator.

District bans on movement should be imposed so that procurement may not be evaded by transfer and concealment of stocks.

### MYSORE

No change is required in the principles of the Mysore system, nor in the organization. In the circumstances of the State the use of a levy is necessary.

Procurement should be more strictly enforced, in all its details, particularly of millets.

In statutorily rationed towns, the scale of rations should immediately be raised to 12 oz. per adult per day, with the incidental increases involved for children and heavy manual workers.

The exemption limit, permitting two seers into rationed towns, for personal consumption, should be stopped simultaneously with action at (2) and measures

to prevent illicit imports into rationed areas should be tightened up.

In informally rationed areas, the actual ration given should, on no account, be less than 8 oz. An attempt should be made to improve on this figure as procurement becomes effective.

The present system of subsidizing internal procurement is suicidal, in the long run, and cannot be justified except on grounds of sheer inertia.

#### UNITED STATES OF TRAVANCORE-COCHIN

The deficit of the area as a whole is so large, even if we take as its basis the average imports prior to 1941, that no system other than one of intensive procurement can possibly solve the twin problem of prices and supplies.

In regard to Cochin, the existing system is satisfactory and no changes are necessary.

In regard to Travancore, the registers maintained in Cochin should be introduced for the purpose of checking and cross-checking the production, surpluses, demands and purchases.

Two prices should be fixed, one for local grain and the other for imported grain, local production

being reserved as far as possible for the areas in which it is procured.

Wholesalers should be abolished and all food work should be done by the Government, with Government finance, as in the case of Cochin. The question of retailers should also be examined and their number, which is excessive, may be reduced if possible.

#### MADRAS

The intensive procurement system together with universal rationing should be reimposed in all areas of the State. This recommendation involves introduction of statutory rationing in the surplus Northern districts and the giving up of the levy system in Coimbatore.

In the case of millets the exemption granted to holders of five acres or less should be removed and precisely the same system introduced as that in force for rice.

The Intensive Procurement System would be quantitatively more successful if village-to-village bans were imposed.

The Monopoly System cannot be introduced in the heavily deficit Malabar District, where Intensive Procurement and informal rationing must continue in full.

## THE WORKING PARTY FOR THE COTTON TEXTILE INDUSTRY, 1950—REPORT

Delhi, Manager of Publications, 1953. 613p.

Chairman : Shri A. Ramaswami Mudaliar.

Members : Shri T. Sivasankar; Shri Radha Kamal Mukherji; Shri Raja Kulkarni; Shri D. P. Joshi; Shri S. R. Vasavada; Shri Gautam Sarabhai; Shri P. H. Bhutta.

Secretary : Shri M. S. Ramnath.

#### APPOINTMENT

The Working Party for the Cotton Textile Industry was constituted under the Ministry of Industry and Supply vide their Notification No. 1 (4)/WOP (I), dated March 31, 1950.

#### TERMS OF REFERENCE

To examine and make recommendations on:

- Measures necessary to achieve increase of production in the industry;
- Measures for reducing cost of production;
- Measures for improving quality of production;

(d) Measures to improve the efficiency of labour management and organization of the industry as a whole;

(e) Measures to achieve rationalization of the industry; and

(f) Measures for better marketing of the products of the industry at home and abroad.

#### CONTENTS

Introduction; Historical Development; Recent Developments in the Industry; Measures Necessary for Increased Production; Reduction of Costs; Indigenous Textile Machinery; Rationalization of the Industry; Rehabilitation of the Industry; Supervision and Efficiency of Technical Labour; Industrial Relations; Target for Production; Marketing Methods; The Technical Sub-Committee and Its Report; Postscript; Summary of Conclusions and Recommendations; Conclusions; Annexure A to D; Explanatory Notes.

## RECOMMENDATIONS

The fact has to be emphasized that while protection to the Indian Textile Industry was largely based on the ground that raw material was available in abundance within the country and that the Industry was helping the agriculturists to find a market for such raw material, the situation is tending to take a reverse turn and requires careful watching.

Our examination of the present state of the Industry has unfortunately revealed a new factor and a new development which has an important bearing on the healthy growth of the Industry and on its productivity. The fact cannot be denied that owing to the change of management in some cases to inexperienced hands, both production and quality have suffered.

While we are in sympathy with the general opinion expressed by the Textile Industry that it may be left free to cater to the needs of the consumer without the irksome intervention of the present control measures, we are equally clear that, unless the Industry as a whole is in a position to put its house in order and adopt measures which will expose erring members and mete out suitable punishment to such if necessary by claiming powers from the Government for such reform measures, it will be difficult to get out of the era of controls which many of them desire.

The Committee find it impossible to accept the suggestion that cotton cultivation should be encouraged even at the expense of foodstuffs—however well based on economic grounds—as the essential which will keep body and soul together, namely, foodstuffs, should be first made available from local sources, and dependence on imports of foodstuffs may lead to catastrophic results especially when owing to war or world crisis import is made impossible.

The real factor which militated against the larger growth of cotton is the fact that the cultivator could have better returns by growing cash crops other than cotton which, owing to their being exportable, commanded a higher international price, and therefore a higher internal price than cotton.

While giving credit to certain State Governments which have consistently and conscientiously encouraged the growth of more and better cotton it has to be stated that many of the State Governments have allowed the agriculturists to divert lands from both food production and cotton production to the growth of other cash crops like oilseeds and sugarcane in the belief that in their particular jurisdiction the peasants will be more prosperous.

We are constrained to state that some State Governments have taken a somewhat narrow and parochial view of the comparative prosperity thereby ensured to their own agriculturists without realizing

the particular bearing which such an attitude has on the economy of the country as a whole and ultimately on the economy of the State itself and the population whose prosperity it wants to ensure.

We would, therefore, strongly recommend that a more consistent policy should be followed by State Governments without exception and that without interfering with the "Grow More Food" Campaign, priority should be given, at least with respect to areas where cotton was being grown a decade ago, to the growth of such cotton.

The suggestion that compulsory reduction of cash crops other than cotton should be resorted to in certain areas by State Governments does not appear to us to be so violently antagonistic to agriculturists' interests as to be discarded.

The Committee is convinced that the problem of purification of the varieties of cotton is as important as the growing of more cotton. It suggests that local Governments can and should, by enforcing more strictly the Cotton Ginning and Pressing Factories Act, by sealing off areas of particular varieties of cotton, and by distributing the necessary pure seeds to the cotton cultivator, gradually attain the position in their respective areas which a decade before they maintained, whereby the purity of the varieties will be unquestionable.

It is clear that strenuous efforts must be made to enlarge the area of cultivation where staple and long staple cotton can be grown and to give every facility to States where such areas existed to grow such varieties. These States, however, would need an assurance from the Centre that their requirements of food would be adequately met if it is found necessary by them to divert certain areas of low food production to the comparatively high yielding cotton production of the requisite staple and long staple kinds.

Now that artificial fertilizers of the requisite kind are being produced in the country, specifically at the Sindri factory, State Governments may, through their Agricultural Departments, induce cultivators, by granting subsidies at the initial stages to utilize such fertilizers and thereby enable them to produce more cotton from the same area.

The utilization of low-staple cotton (Bengal Desi) by spinning yarns of low counts which could be used mainly for durries should, in the opinion of the Committee, be encouraged as this will release the better varieties of cotton which are now used for the same purpose, for cloth production.

We feel that a watch should be kept over the export of comber waste and justification should be adduced by any mill which is unable to utilize it and desires to have it exported.



We see no objection to mills being permitted to use larger quantities of staple fibre and to import such fibre as a means of relieving the shortage in cotton supply, provided it is made perfectly evident to the consumer that the cloth produced is of staple fibre.

The evidence and report of the Technical Subcommittee reveals that, in quite a number of mills, there is constant change over from one pattern of production to another at somewhat short intervals.

A large number of mills producing a large variety of cloth and constantly changing the types of production has certainly been a source of diminishing the quantity, and in fact putting on the market types of cloth which are often unwanted.

The present system of distribution involving the nominees of the Government taking the cloth wanted and unwanted together and trying to recoup their loss on the unwanted by larger margins on the wanted has made it easy for some mills to go in for this varied system of production.

Some of the mills at least have gone in for types of cloth which they know may not be easily consumed partly because they have no responsibility for its distribution and ultimate sale and partly because the margin of profit thereon was better than on other qualities.

We feel in the light of what we have seen regarding the production programme of various mills and the complaints about the nature and quality of cloth produced by mills that the recommendations made by the Textile Production (Control) Committee, 1948, regarding the regulation of mill production may now be implemented by the Governments, particularly as they have had the full support of the industry's representatives on the Committee.

We feel that the lead and whatever measure of control is necessary regarding the regulation of mill output may preferably come from the Industry itself; that millowners' organizations are best calculated to check the tendency to produce unwanted cloth or cloth of inferior quality by some of the mills; and that provided millowners' organizations can exercise the power to take punitive measures on erring mills, the disease may, to a certain extent, be checked.

While we recognize that, normally speaking, third-shift work may not be quite desirable, we feel that a certain fluidity should prevail in the discretion which both the management and labour have in regard to the application of the third shift.

We are unable to commend the suggestion that mills which produced quantities of yarn or cloth above a prescribed target by special inducements to workers or by improved efficient methods may be permitted to export 50% of such surplus production. We feel that there are a number of mills in the country which

do not require such a temptation for expanding their production and we believe that we shall be guilty of giving the wrong kind of encouragement for increased production by adopting the method that has been suggested.

It has to be conceded that in many cases it is not the agriculturists so much as the middlemen into whose hands the production of cotton passes at a very early stage, who may be hit by the system of bulk purchase. Where, however, Co-operative Marketing Societies exist, the agriculturist may be in a better position to obtain fair prices. Even so, unless these Societies are organized on a much wider scale, the agriculturist may not get a fair deal.

It is clear that, on the basis of bulk purchase, either all mills should contribute the finance according to their requirements for a period, or a central fund should be created which will allow individual mills to take their stocks as and when necessary and pay for them according to consumption.

The finance involved in bulk purchase of locally produced cotton is so large that it is not always possible to depend upon banks for key loan advances; nor is the present position of the banks, having regard to the instructions received by them from time to time from the Reserve Bank, calculated to facilitate such a course.

Having regard to these conflicting views, the Committee has come to the conclusion that it cannot recommend the system of bulk purchase by an individual on behalf of the entire body of mills, or by a Committee of the millowners at the present stage, but it nevertheless feels that there are obvious advantages in such a system of bulk purchase of foreign cotton and would commend the idea to the mills in the hope that, if not for the entire body of mills which require foreign cotton, at least for a group of mills in common, an agency can be voluntarily designed and a common purchase on behalf of these mills can be effected.

No exception has been taken to the system of bulk purchase of foreign cotton where the transaction was between Government and Government and the Committee recommends that such a system should continue.

Having given due consideration to all factors, the Committee feels that if the mills can take the responsibility for the bulk purchase of mill stores through an organization of their own associations, facility should be given to them to do so; the present state of controls over imports necessarily means that licences for import of these mill stores should be granted to the organization which mills may establish for the purpose, and we recommend both to the Government and to the Industry that these steps may be adopted.

The Committee agrees with the need for encouraging these industries (Mill Stores) and helping them to be

firmly established and feels that the one method by which it can be done is to make it obligatory on the mills to purchase their requirements in the non-expected categories from local producers.

The quality of the production of local Mill Stores has to be kept at a high level and in fact continuously improved upon if the indigenous manufacturer desires to retain his market and expects governmental assistance in this behalf.

There is too often a tendency, particularly in recent years, for quality to deteriorate and for manufacturers to produce articles which are cheap, especially when an embargo is placed on the import of such articles, and the consumer is obliged to buy locally produced materials.

While we strongly recommend that protection should be afforded to these industries (Mill Stores) by virtual compulsory purchases from local manufacturers, we feel that there is a clear need for a constant inspection of the goods so produced and for the quality being approved by some agency set up either by the Government or by the Mill Industry itself.

We feel that the problem of co-operative fire and other miscellaneous insurance may not prove so intractable of solution now as before, and we recommend that the millowners regionally may take up the question of co-operative insurance against fire and other risks and so bring about a reduction in the cost of their overheads.

The Committee is bound to record that the Industry as a whole has shown great uneasiness in regard to the compulsory utilization of either the ring frames or the looms which are of indigenous manufacture.

We would emphasize that, in the manufacture of capital goods, a higher degree of technical efficiency has to be guaranteed and that the Industry should not be averse to utilizing the experience of foreign experts in the initial stages of production.

We also feel that, apart from the level of protection that may be granted, it should be obligatory to have a proper system of inspection of the machinery produced locally, particularly when the Government has decided that every purchaser should purchase a certain ratio of his requirements from the local producer.

We recommend, especially as the Textile Machinery Manufacturing Industry is willing to accept the proposal, that in consultation with the Textile Industry and the Textile Machinery Manufacturing Industry, a competent and adequate system of inspectorate should be organized by the Government and that such an Inspectorate should be authorized to certify the quality of the products of the Industry.

Our reaction to the recent Notification issued by the Government announcing their policy for import of textile machinery in the period January-June, 1952,

after a study of the psychology of the millowners, is that it may lead to further postponement of the process of rehabilitation and renovation by mills generally which we have emphasized is the crying need of the Industry at present.

We hope that by the constant guidance of the Tariff Commission, the capital goods industry, which we wish to see encouraged and strengthened, will play its proper part in furnishing to the country the right type of capital goods which can bear comparison in quality with any of the imported goods.

The disparity in workloads obtaining in mills with similar working conditions led the Committee to the view that it was essential that some sort of scientific workload should be ascertained and that it would promote healthier relations between workers and management if such scientific workloads were accepted by both managements and labour unions.

We suggest that the highest priority should be given to the question of the scientific assessment of workload for the Industry as a whole and its application with proper modifications according to the circumstances existing in each individual mill.

We recommend that a panel of names of experts approved both by management and labour unions should be set up for the purpose of assessing the workload in the Industry region-wise. In the first place, a small body of men amongst them—not more than five—should be commissioned to undertake the work of determining normal workloads in a region, having regard to the conditions prevailing in a sample of mills (which may form a cross-section of the industrial units in the region, ranging from the best organized to those that are sub-normal in their set-up) and to the provision for healthy conditions of work.

This normal workload will, we hope, be accepted by both millowners and labour unions except in the case of any individual unit where either the management or the labour union considers that the normal workload is not fair and that it should be modified in the light of the existing conditions.

In this event, an Ad Hoc Committee of experts, membership of which will be drawn from the agreed panel, will examine the specific conditions in the mill concerned and lay down what modifications should be made to the general recommendations of the Expert Committee which has suggested the normal workloads for the region.

In the opinion of the Committee, this is the essence of the whole problem of establishing and improving the efficiency of labour and management and of organizing the Industry as a whole on a more satisfactory basis.

It is obvious that rationalization of the Industry in itself will be facilitated if the preliminary question

of establishing normal workloads and of individual workloads in the case of certain mills were resolved satisfactorily.

The problem of rationalization has to be looked at not merely from the point of view of whether a slight reduction in costs will be possible on such rationalization, but also from a much wider angle.

The fact that the Textile Industry which a decade back had sought protection against foreign competition is now in a position to meet such foreign competition in outside countries, and in fact to compete so effectively as to capture markets which were hitherto held by foreign competitors, is significant and is a healthy development which must be safeguarded.

The Committee wishes to point out that, in the distribution of the gains of rationalization, some more definite and precise method should be adopted than that suggested, of giving first preference to the raising of the standard of wages to a living wage. On the whole, it seems to the Committee that a fair allocation would be to divide equally between the management and the worker the gains so realized from rationalization.

It is well known that during the War years, particularly from 1943 onwards, the Industry had earned profits very much in excess of those that were earned in the previous decade.

Few managements have had any doubt that the cost of replacement of such machinery would be very much higher than the original cost at which depreciation had been allowed, and while it is true that the Government did not relieve from the incidence of Income-tax any larger amounts set aside for depreciation, it was nevertheless open for a prudent management to reserve greater amounts even after incurring the incidence of Income-tax as depreciation or reserves.

It is beyond the capacity of the Industry taken as a whole to replace or rehabilitate the existing machinery even over a period of 10 or 15 years without some sort of financial assistance.

In spite of the Government's warnings, it is regrettable to note that in many of the units of the Textile Industry, profits have not been conserved for the future benefit of the Industry, and large dividends have been declared during these years of abnormal profits.

The Committee generally feels that, while it entirely agrees that proper funds should be allotted for depreciation and reserve and while it deprecates the frittering away of unexpected profits by the distribution of large dividends, a statutory provision for limitation of dividends in any industry will have an unhealthy and detrimental effect not merely on the industry concerned but on the flow of capital to industries generally.

Some of the members of the Committee feel inclined to accept the proposition as fair that the capital employed in the Industry should be calculated as "paid-up" capital plus 50% of reserves, and that dividends should be calculated on this basis.

Where the resources have been transferred into bonus shares for the original shareholders, we feel that the bonus shares should rank equally with the original paid-up capital for the purpose of calculating the capital employed in the Industry.

The Managing Agents should have no direct financial interest in the sale of the products or purchase of articles for the mills, and other agencies unconnected with the Managing Agencies should be set up if it is necessary to have such an organization for this purpose.

The Committee recommends that a company should, out of the profits, first set apart the depreciation fund according to Income-tax regulations; next give 10% or 12½% commission out of the balance to the Managing Agents; then an amount which will give 6% dividend on the "paid-up" capital as interpreted in Para. 91 to the shareholders; and out of the balance remaining, allocate equal amounts for distribution to workers, for reserves, for rehabilitation, and for additional dividends to shareholders.

The Committee is of the opinion that the money to be found for replacement and renovation of the machinery employed in the Industry can only be found by a loan being granted by the Government and not by any outright grant either through a surcharge or otherwise. The Committee strongly recommends that such a loan for purposes of rehabilitation should carry a low rate of interest not exceeding 4%.

The Committee emphasizes the need for rehabilitation of the Industry over a period of 10 to 15 years and for making available such amount as is required for this purpose by the Industry by way of loan.

The problem of re-building old mill structures presents a greater difficulty, but the Committee is quite certain that this difficulty ought to be faced, and that the State Governments concerned should require the units which are badly housed to make suitable alterations and modifications to their structures.

The Supervisory Staff has devolved on it now a special responsibility—a responsibility not merely of checking the work of the workers and seeing that they discharge their duties properly, but even more, or trying to make new relationship with the workers which will take into account the human factor connected with the conditions of work both in the mill and even more outside the mill.

A management which treats its labour properly and establishes human contacts with individual workers as far as possible commands from these workers a loyalty to the unit at least as great as the loyalty

to the trade union concerned. It must therefore be the attempt of every enlightened management to secure this loyalty which is not incompatible with and certainly does not militate against the loyalty of the worker to his trade union.

The need of securing supervisors of the right type, able to understand the human element in the treatment of the workers, technically well qualified, capable of leadership both on the technical and on the personnel side, is so obvious that it is regrettable that many managements have not appreciated this fact.

We are inclined to believe that of one the main serious drawbacks in the Industry which militates against the interests of the workers and the management, which jeopardizes production in the mill, and which sometimes leads to serious consequences of strikes and lockouts, is the management's treatment of the supervisory staff.

We recommend that it being of the utmost importance to the Industry both from the point of view of production and from the point of view of labour relationship, which assists such production that a properly trained and well-qualified supervisory staff should be employed by each industrial unit and that their tenure of service should be secured; that their emoluments should be at a reasonably high level; and that managements should not take advantage of the fact that at the present time trained technicians are available in sufficient numbers.

If the morale of the worker has to be maintained by the technician or supervisor, the morale of the technical or supervisory staff in turn has to be maintained, and only the management can secure such morale on the part of the supervisory staff.

While we do not express any opinion on the desirability or otherwise of trade union rights and of the privileges that follow from membership of trade unions being granted to technical and supervisory staff, we are convinced that the treatment of technicians and supervisory staff in many of the textile units deserves to be placed on a better basis not merely because of the importance of the supervisory staff in the Industry, but even more because such conditions go to the very root of healthy industrial relations and result in proper productivity in the unit concerned.

We recommend the suggestion that in those textile colleges where technicians are trained, the subject of a proper human relationship to the worker, the social side of the activities of the technicians may also be studied, and a course of studies prescribed so composed as to give an opportunity to the student to acquire at least a primary and preliminary knowledge of these matters and of how these relations can be properly adjusted.

The examination of these problems and the issues

connected with them lead us to conclude that there should be a chain of proper understanding between the management, the supervisory staff and the worker. To the extent that the hands of the supervisor are strengthened by the management; to the extent that there is perfect understanding between the management and the supervisor; and to the extent that there is devolution of responsibility on the supervisor for certain aspects of work and of the prospects of the worker, to that extent will an integrated scheme of human relationship be successful.

In fact the supervisor should be taken into the confidence of the management to a very large extent if the administrative machinery is to work smoothly from top to bottom and the loyalty of the worker and the supervisor is to be supreme to the unit concerned.

Both State Governments and Managements of mills should seriously consider the setting up of institutions where the apprentice-workers can be properly trained. It is a process that is not elaborate, what is required essentially being machinery which will enable them to get such training, and we commend the suggestion that such training centres should be established at least in the big centres of the Textile Industry.

Apart from the preparatory training which a worker should get before he is introduced into a mill, there is also the need for continual post-employment training of workers in the Industry.

Post-employment training of workers is, in any event, and not merely in connection with novel machinery, a desirable thing, and we trust that both Governments and Managements will bestow their proper attention on this problem and afford facilities for such training.

We recognize that a strict legal code cannot be established for resolving all the disputes that are often referred to Industrial Tribunals, and that to a certain extent these Industrial Tribunals are not completely judicial bodies having a law to administer and having the main responsibility of establishing facts. Nevertheless owing to the far-reaching effects of these decisions, including those of Appellate Tribunals, we feel that some sort of governing principles or directives may be laid down which will enable both Industrial Tribunals and Appellate Tribunals to give decisions with less risk of dissatisfaction to either of the parties concerned.

We recommend that any tripartite or other agreements arrived at between labour and management should be circulated to Industrial Tribunals and Appellate Tribunals, and that these Tribunals may take note of these agreements in giving their decisions. If such agreements were to be multiplied and if they could be referred as guiding principles to Industrial

Tribunals, the chances of minimizing references to such Tribunals will be better and in any case decisions will be more acceptable to the parties concerned.

Apart from this, it may be possible for the Central Government to lay down certain directive principles with reference to some at least of the numerous matters that come up for disposal before the Industrial Tribunals, which do not necessarily involve a study of the question of wages or a claim for bonus or anything incidental thereto.

It seems to us that the Planning Commission's estimated figure of production in 1955-56 is to some extent an underestimate, and that it can confidently be expected that with better conditions of availability of cotton, more regular working of mills and such improvements in the plant and machinery as may be effected—apart from the new installations which are coming into production—this estimate may be revised to at least 5,000 million yards of cloth.

The question of what the per-capita consumption within the next five years should be must be viewed not merely from the angle of the rate of production possible with improved machinery and better relations of labour and more enlightened management. The question is also associated with the standard of living of the people and the purchasing power of the consumer.

We believe that the expansion of the Industry will take place without special encouragement if capital is available and if entrepreneurs are not afraid of investing such capital in new ventures.

The reform measures suggested by the Technical Sub-Committee of mills producing fewer varieties, over continuous periods, of good-quality cloth suited to the needs of the consumers may bring down the price of cloth and may incidentally increase the production and determine more effectively the per-capita consumption of cloth by the year 1955-56.

If co-operative societies run on proper lines with adequate financial resources and with enthusiastic directors can take up the distribution of cloth, it would no doubt be a healthy check on the abuses by others more indisciplined.

At a time when no controls are necessary it seems to us that the distributory system will resume its normal state and the only precaution that the State has to take in the interest of the ultimate consumer is to check the possibility of too many intermediate agencies intervening between the mill and the last retailer.

The Committee trusts that more mills will copy the example followed by some who have organized a system of inspectorate and ensure that the prices quoted by the mill for the retail shop are adhered to by the retail seller on pain of termination of the

agency, and that the distributory system will be so arranged as to guarantee that the ultimate consumer is not exploited.

It is essential for the good name of the country and for maintaining continuously the export markets abroad that some measures have to be adopted either by the Government or by the Industry to control the quality of goods exported.

In the case of textiles, it is suggested that the necessary inspectorate should be set up by the Textiles Fund Committee: in case any exporter is found seriously to deviate from the sample in accordance with which he has contracted to supply goods and defaults in a considerable measure not on one occasion but on more than one occasion, the recommendation of the inspecting authority should be that the Government should deprive him of the licence to export cloth.

We recommend that this agency for inspecting export cloth should be started as soon as possible, and hope that the Industry will co-operate with the Government in carrying out this very necessary reform if the already shrinking export market for Indian goods is to be maintained.

While the recommendation made by the Technical Sub-Committee that there should be roughly a dozen textile centres distributed evenly over the whole continent may be theoretically a most desirable thing, we feel that it is not a practical measure capable of adoption.

In accepting the recommendation of the Technical Sub-Committee regarding the desirability of replacing the existing wage schedules by a scientific wage structure "where the wage will be a function of the workload, skill and hazard, where the duties will be clearly defined and where the provisions for incentives by the operative will lead them to put forth greater efforts, leading to higher efficiencies and higher production", we interpret it to mean:

(a) The existing average work load should be linked to the existing standardized wage in each centre; and

(b) If after scientific study, it is determined that the standard workload for a normal worker under specified working conditions can be higher than the average existing workload referred to in (a) above, the workload may be increased, provided there is no unemployment and provided the gains of rationalization are shared with the worker and his earnings are progressively raised towards a living wage: the wage structure to be evolved after the introduction of rationalization, linking the higher workloads with higher earnings, should be based on principles enunciated in para. 5, page 29 of the Sub-Committee's report, which has been quoted above.

We are unable to agree with the Technical Sub-

Committee that all female workers should be retired and that only male workers should be employed in the mills.

In the opinion of the Committee, the Indian Cotton Textile Industry must come into line with the Industry

in other countries in regard to the quality of cloth and the price at which it should be sold, and this can only be done by a prompt re-adjustment in which the Committee hope both labour and enlightened management will co-operate fully.

## CACHAR PLANTATION ENQUIRY COMMITTEE, 1950—REPORT

Delhi, Manager of Publications. 1952. 164p.

Chairman : Shri S. K. Sinha.

Members

Representing

Employers : Shri A. H. Galloway; Shri Baidyanath Mukherjee (resigned, replaced by Shri P. C. Chatterjee).

Members

Representing

Workers : Shri Paresh Chandra Chaudhury; Shri Suresh Chandra Deb.

Representing

the Govt. of

Assam : Shri H. P. Duara

Tea Expert: Shri P. M. Glover.

Secretary : Shri R. R. Bhatnagar.

### APPOINTMENT

The Cachar Plantation Enquiry Committee was constituted under the Ministry of Labour on April 4, 1950.

### TERMS OF REFERENCE

(i) To enquire into the cost structure and financial conditions of the tea gardens in the Cachar District of Assam;

(ii) To enquire into the causes of the present uneconomic working of certain gardens;

(iii) To make recommendations regarding the measures required to place uneconomic gardens on a sound basis;

(iv) To report in particular (a) whether the concessional supply of foodgrains to labour should be discontinued in any estate; and, if so, in what circumstances and to what extent, and (b) what arrangements should be made for the supply of foodgrains to workers on these estates.

### CONTENTS

Introductory; Technical Problems and Their Remedies; The Financial Condition of the Cachar Gardens,

Reasons for Uneconomic Working and Recommendations for Improvement; List of Appendices; Summary of Recommendations.

### RECOMMENDATIONS

A study of the cost structure discloses that in an industry like Tea Plantation, which is more of the nature of agriculture than industry, the present cost in labour is not high; in fact the wages are too low and require early revision to enable the workers to get a "fair wage".

An inspectorate should be set up immediately to report on how far and how effectively the Tea Estates in Cachar are carrying out the policy outlined in the recommendations of the expert, if the industry in Cachar is to be saved. No reliance can be placed on Visiting Agents as the system which has been in force for many years has failed to serve any useful purpose.

Finance is the most baffling question. We recommend creation of a fund from Excise and Export Duties, collected from the manufacture and export of tea, and issue of long-term loans to the derelict Estates, especially to the Indian-owned Estates, subject to expert assessment of properties and control and guidance of the Inspectorate.

Managing Agency System should be abolished and till this is done the expenditure should be curtailed to the minimum.

Recruitment to the managerial cadres should be under a definite policy of selecting better educated Managers who should not only be able to do this job of better planting but should be able to deal with the human material under them with better understanding. A progressive policy of Indianization is strongly advocated.

In clerical and supervisory cadres, recruitment should be through an Employment Board set up by the Industry and if the Industry does not agree, the Government of India should take up the matter and regulate through the Employment Exchange. The scope for

promotion to managerial cadres should be there to create an incentive for better work.

Pay-scales of Sirdars and Jamadars should be revised and a policy of recruiting in these posts qualified, intelligent persons with drive, experience and integrity should be adopted, with scope for promotion.

To create interest in the workers they must be paid a fair wage. Side by side with the appeal to produce more and produce quality, there should be a clear-cut employment policy, suitable provision for old age, suitable guarantee against sickness and loss of earning therefrom, suitable scope for the education of children, suitable living conditions, paid leave and introduction of the system of sharing in profits. Labourers now know what will happen to them if adversity overtakes the Industry but are debarred from sharing in its prosperity.

A scheme for training workers, especially the Sirdars, Tilla Babus and Factory Babus, should be introduced. They should have the rudiments of the science of Tea Planting and Manufacture to be a bulwark against apathy and incompetence of planters. For this purpose opening of a Training Centre in Cachar along with a Branch of Tocklai Institute is recommended.

We visualize a shrinkage in the employment of labour. To arrest increase in unemployment and stop wastage of man-power, a policy of giving the adolescent opportunity of picking up different trades and professions by working in the factory workshop should be introduced so that there may be an incentive for surplus population to migrate elsewhere from the Estates for livelihood. Surplus labour may also be profitably employed for growing food in garden waste land.

Workers should be made to retire on attainment of certain age by giving pension as there is no Provident Fund now. Provident Fund Benefit should be introduced without further delay.

We are on principle in favour of Cash Conversion of the concessional foodstuff. The amount of payment in lieu of ration should be determined by the Provincial Wage Committee and introduction of the Cash Conversion should synchronize with the enforcement of payment of minimum wage.

Co-operatives should be started in every garden with a Central Trading Society to import goods from outside the State. Till this is done, the Industry should continue the present arrangement of procurement and sale of commodities.

## MOTOR VEHICLE TAXATION ENQUIRY COMMITTEE, 1950—REPORT

New Delhi, Ministry of Transport, 1950. 244p., xp.

**Chairman :** Shri M. N. Dalal.

**Members :** Shri G. M. McKelvie; Shri N. C. Ghosh; Shri T. S. Krishna; Shri K. R. P. Aiyangar; Shri A. A. Brown.

**Secretaries:** Shri C. S. Anantapadmanabhan; Shri C. S. Nair.

### APPOINTMENT

The Motor Vehicle Taxation Enquiry Committee was constituted under the Ministry of Transport vide their Resolution No. 30-T(14)/49 dated April 20, 1950.

### TERMS OF REFERENCE

(i) Survey the existing systems of taxation of motor vehicle users in India; and

(ii) Recommend:

(a) The basis of a scientific system of taxation of the motor vehicle users to ensure the provision and development of cheap, rapid, and efficient transport for different categories of users by the means best

suitable for the kind of traffic involved and with a view to obtaining proper co-ordination between the different forms of inland transport;

(b) The method of securing reciprocity in taxation between the various taxing authorities; and

(c) The principles on which any part of the proceeds of the taxation of motor vehicle users by the Union and State Governments and Local Authorities should be made available for road maintenance and development.

### CONTENTS

Introductory; A Survey of the Existing Taxes Paid by the Motor Vehicle User in India; Inland Transport Co-ordination and Regulation; Other Cognate Matters; The Present Position in Respect to Road Maintenance and Development in India; Taxation of Motor Transport in Foreign Countries; Recommendations: Inland Transport Policy; Recommendations: Motor Vehicle

## RECOMMENDATIONS

A scientific system of taxation of the motor vehicle user cannot be evolved unless the Union and State Governments accept a common transport policy. The transport policy recommended for acceptance is generally that recommended by the United Nations.

The motor vehicle user as a general tax-payer should contribute to General Revenues only to the same extent as does the railway user; and

The taxation policies of the Union and States should be so adjusted that the motor vehicle user as such is not called upon to pay the expense of implementing any extraneous Union or State policy (Defence, Welfare, Prohibition, etc.), nor to pay for the establishment of a motor vehicle manufacturing industry in India.

The balance of the proceeds of taxes on the motor vehicle user after deducting the contributions to General Revenues should be earmarked for expenditure on roads; and

These proceeds should be paid into non-lapsing road funds.

The aim should be to have complete reciprocity between States in the matter of permission to operate motor vehicles.

More liberal issue of permits for inter-regional traffic is desirable and also closer liaison between the Transport Authorities of adjoining States.

Any review of the acts and orders of Transport Authorities with respect to their legality, regularity, or propriety should be carried out by a judicial authority and the State Government should not issue any orders with respect thereto without the concurrence of the judicial authority.

State Governments should give increased attention to the development of motor transport in the interior of their States by giving tax concessions to operators and priority to bridge construction, etc., on selected routes.

Minimum fares and freights for transport services need not be fixed at present.

Scope should be allowed deliberately and as a matter of policy to private enterprise to develop new routes.

The discretion of Transport Authorities in the matter of giving permits to commercial vehicles should not be interfered with by State Governments. This applies particularly to the question of giving licences to single-vehicle owners as the Transport Authorities are under a statutory obligation to associate remunerative and unremunerative bus services.

State Governments should study the procedure

adopted in the United Kingdom and arrange for a more expeditious method of collecting taxes from the motor vehicle user. The Central Government should assist by permitting selected post offices to collect these taxes (as in the United Kingdom) or the State Governments should permit their taxing authorities to accept "crossed" Postal Orders.

The States should, where necessary, increase the number and quantity of their motor vehicles inspecting staff and raise the fees charged for this purpose where necessary.

The question of maintenance of transport statistics and submission of returns should be studied by the Transport Advisory Council.

The restrictions on the carriage of goods by road imposed by the Code of Principles and Practice should not be enforced during the next three years.

Transport Authorities should grant private carrier permits freely as provided by Section 53 of the Motor Vehicles Act of 1939.

A Tribunal should be established with all-India jurisdiction to deal with complaints against State Undertakings.

The Motor Vehicles Act should be amended in respect of Sections 47 and 55 to provide when granting permits for consideration of the adequacy of other transport services of whatever kind operating or likely to operate in the near future.

The tariff policy of the Central Government should take into account the effect very high duties on transport have on agricultural and industrial development.

Motor vehicles used for commercial purposes should not be regarded as luxuries for purposes of taxation. The tariffs should be brought down at least to the pre-1950 level.

Subsidies should be given to assist in the development of the motor vehicle manufacturing industry in India. These are better than Protective Tariffs.

Fuel for diesel-engined motor vehicles should continue to receive preferential treatment.

Cultivators' carts should not be separately taxed but a "road cess" of one anna in the rupee on land revenue should be imposed for road-use and available.

Carts plying for hire and reward in and near towns should be reasonably taxed.

The use of rubber tyred carts plying in and near towns should be encouraged.

Local bodies should not be permitted to tax motor vehicles.

The losses incurred on any form of transport-communications maintained for purposes of Defence or National Welfare should not throw any additional charge on transport users as such but should be borne by the general tax-payer.

Co-ordination of inland transport under present



conditions in India should be achieved by methods other than the giving of artificial support to alternative forms of transport. The controlled elimination of obsolete and obsolescent forms of transport would be in keeping with a dynamic policy as opposed to a static policy that would aim merely at maintaining the *status quo* in spite of modern technical developments.

The road engineers of the Centre and States should discuss in conference the question of limitation of vehicle weights.

The principles advocated in the "Nagpur Plan" as applicable to Road Maintenance and Development should be accepted and applied by the Union and State Governments.

The Union and State Governments should consider raising loans to fund their Road Development Programmes.

Legislation should be enacted in India on the broad lines of the American Federal Aid Road Acts or similar Acts in Australia embodying the principles listed in Para 72.

An "Associated Council" of the Transport Advisory Council should be created to make known the views of the users of motor vehicle transport.

The Railways should not add to their route mileage by constructing uneconomic lines (except for purposes of Defence) or restoring such lines dismantled during the last war. Many short-distance feeder and link railway lines that are not paying their way should be dismantled.

The statutory obligations imposed on the Railways with respect to the carriage of goods should be "eased" to permit them to refuse to carry "short-distance smalls" in certain cases.

No new State Transport Undertakings should be set up nor should the existing undertakings be further developed until the State concerned is satisfied that it is in a position to provide better road transport services than those provided by private operators. The proof that this service is "better" to be ascertained by comparing with competitive private services operating on the same routes or on comparable routes in the neighbourhood.

The States should not attempt any large-scale development of the road-haulage business until State passenger transport undertakings have established their efficiency.

Until road communications in India are better developed than at present no change should be made in the present duties of Customs and Excise on motor spirit.

An amount representing 4½ annas of these duties should be credited to the States Road Funds to "make" on a three-quarters basis the proceeds of the States' fuel tax credited to those funds.

The duties of Customs and Excise on motor vehicles, tyres, parts, and accessories should remain at the level they stood before March 1, 1950, but should higher duties have to be imposed for any reason, the differences between these higher duties and the duties at the 1950 rates should be credited to the Central Road Fund.

The Centre besides matching the States' fuel tax should support liberally plans for road development.

The Centre should also levy a "transport cess" of 1½ annas a gallon on motor spirit in addition to the existing duties of Customs and Excise on this commodity. The proceeds of this cess should be used to pay the cost of distributing motor spirit by rail so that its selling price will be sensibly the same throughout India.

The duties on diesel oil and other fuels should remain as at present but a countervailing tax should be imposed on diesel-engined motor vehicles.

Only two taxes on the motor vehicle user should be levied by the States, the States' Fuel Tax and the States' Motor Vehicle Tax. All other taxes on transport including Sales Tax on transport including Sales Tax on fuel and taxes on the carriage of passengers or goods by road should be abolished as also all "Entrance Fees", Octrois, and all local taxes on motor transport or on passengers or goods in transit.

The proposed taxes are NOT to be regarded as additional taxes but as substitutes for existing taxes. The tax recommendations made by the Committee follow logically from the acceptance of the Transport Policy outlined in Paras 112 to 121 and no tax that is not in accordance with this policy should be levied.

The States' Fuel Tax should be fixed at present at six annas a gallon on motor spirit.

This tax should be collected by the Centre as a surcharge on the Central duty on motor spirit and credited ultimately to the various States' Road Funds (to be created). In the agreement that authorizes the Centre to collect this surcharge, it is to be made quite clear the monies collected are State monies.

The Sales Tax on motor vehicles and accessories to remain but the rate should be the same as for other non-luxury goods.

The only tolls that should remain are those levied at ferries (ferry charges), the rates being so adjusted that the ferries yield no net profit, and tolls levied at new bridges when the toll proceeds are used to redeem loans taken for constructing the bridges, the tolls being abolished as soon as the loans are paid off.

Assistance is to be given to local bodies when this is justified.

Fees should be so adjusted as to cover the cost of services rendered; fees should not be allowed to grow into taxes.

The States' Motor Vehicle Tax should ultimately

be the same in all States and should conform for the present to the Schedule laid down in Table 22. The proceeds should be paid into the States' Road Funds (to be created).

The Central and State Governments should regard themselves as partners in all Road Transport Undertakings as they supply the roads, the main capital asset of these undertakings. It is in the interests of these Governments to supply good roads and, for this reason, the main yield of the taxes on the motor vehicle user should be regarded as a road rent.

The general tax-payer must also contribute to the upkeep of roads paying for the "community use" of roads.

There should be no "double taxation" on motor

vehicles, even if the taxes in all States are not the same, but uniform taxes are recommended.

Taxation measures should not deny the country the benefits of technical progress.

The proceeds of the modified taxes recommended by the Committee should all be credited into non-lapsing road funds as should also the States' contribution from General Revenues for "community use" of roads. Capital grants should also be non-lapsing.

The taxation principles recommended for adoption by the Committee should be embodied in the All-India Motor Vehicles Taxation Act parallel to the Motor Vehicles Act of 1939 vide item 35 of List III (the Concurrent List) of the Seventh Schedule of the Constitution of India.

## COMMITTEE TO EXAMINE THE SYSTEM OF LAND TENURE IN PEPSU, 1950 – REPORT ON AGRARIAN REFORMS IN PEPSU

New Delhi, Ministry of States, 1952. 86p.

Chairman : Shri C. S. Venkatachar.

Members : Shri J. M. Shrinagesh; Sardar Tarlok Singh.

Secretary : Sardar Rajbir Singh Kang.

### APPOINTMENT

The Committee to Examine the System of Land Tenure in PEPSU was constituted under the Ministry of States vide their Resolution No. F. 53 (39)—P/49 dated May 11, 1950.

### TERMS OF REFERENCE

(i) To examine the existing tenancy relationships (other than the rights of occupancy) in land in the Patiala and East Punjab States Union and to propose such changes in them as may be necessary;

(ii) To examine the existing system of land tenure in the Patiala and East Punjab States Union; and

(iii) To propose such changes in it as may be necessary keeping in view the requirements of the agricultural economy and the welfare of different sections of the rural population.

### CONTENTS

Introduction; Tenancy Problems in PEPSU; Occupancy Tenants; Special Tenures; Rights of Superior Landlords; Tenants-at-will; Reorganization of the Rural Economy; Summary of Recommendations and Conclusion; Acknowledgments; Appendices.

### RECOMMENDATIONS

#### Evacuee Lands

In respect of tenancy reforms evacuee lands should continue to be treated as a category apart from other lands until allottees obtain full ownership. There are, however, certain exceptions to this rule.

#### Occupancy Tenants

The present legislation regarding occupancy tenants should be reviewed. The abolition of landlord rights in those cases in which the status of occupancy tenants is accepted should be made easier. On the other hand, occupancy tenants who claim to be proprietors of their holdings should be afforded one more opportunity of establishing their rights. While it is important to provide a reasonable solution for the problem of occupancy tenants in the former Patiala State, it is also extremely important to enforce and implement the decisions in a sustained and effective manner without further room for doubt and questioning and without fear or favour. To this end, it is recommended that:

(i) The benefits of the Biswedari abolition legislation should be extended to those occupancy tenants who held these rights on March 11, 1940, and were dispossessed for non-payment of amounts decreed against them;

(ii) Instead of the option to acquire proprietary rights being left to occupancy tenants and the possi-

ility of physical partition of a holding, the legislation should provide for the vesting of proprietary rights in occupancy tenants and extinction of the rights of landlords holding no occupancy tenants without a suitable procedure for the payment of compensation;

(iii) The amount of compensation due to a landlord should not include arrears of rent due to him. As regards buildings, Kachia farm houses should not be considered for compensation. Compensation to the landlord for Banjar and Ghair Mumkin land should be reduced from the present level of 50 times and 25 times respectively of the land revenue assessable on the lowest Barani class in the estate on the landlord's share to 25 and 5 times.

(iv) Compensation to the landlord should be payable in four six-monthly instalments spread over a period of two years, but the Collector may allow the occupancy tenant to pay the compensation in six-monthly instalments over a period which may extend to six years; and

(v) A Special Tribunal presided over by a Judge of the High Court and consisting of two other members, one of whom may be a Judicial Officer and the other a senior Revenue Officer, should be set up. The Tribunal should be authorized to receive and decide finally upon applications for the recognition of the status of proprietary rights from occupancy tenants whose cases have been in dispute in any Civil or Revenue Court since March 11, 1940. The Tribunal should, however, have the power, if it deems fit, to entertain an application in a case which has not been the subject in dispute during the prescribed period.

#### Special Tenures

(i) Proprietary rights should be conferred by the Government of the Patiala and East Punjab States Union, without payment of compensation, upon the special tenants of the former Faridkot State who held land in which the ruler of Faridkot State was shown as both superior and inferior landlord. This measure may be taken with effect from July 1, 1952;

(ii) Rights of occupancy conferred by the Government of the Patiala and East Punjab States Union by Notification No. 8-B of April 28, 1951, on special tenants of the former Faridkot State should also devolve on holders of special tenancies in land in which the ruler of Faridkot held the rights of an inferior landlord and which had been granted to him as the personal property by the Government of India.

#### Rights Of Superior Landlords

The rights of superior owners should be abolished on payment of compensation amounting to eight times the amount of rent or other dues, if any, payable to the superior owner.

#### Tenants-at-Will

(i) 100 acres should be fixed as the limit of the area which an individual may reserve for personal cultivation. Detailed suggestions on the administration of the proposal are made;

(ii) The period of tenancy for all tenants-at-will should be five years. This will be subject to the right of a land-owner to resume the land, after giving due notice, for personal cultivation. In the case of those owners who hold more than 100 acres of land, only 100 acres could be resumed for personal cultivation. This recommendation should apply to evacuee lands;

(iii) Tenants-at-will who have continued to hold land in an estate under the same landlord from a date prior to May 1, 1940, should be declared as "Protected Tenants". Protected Tenants should have the right, within a period of three years, to purchase land cultivated by them in the preceding agricultural year. They should be given financial assistance to purchase their tenancies. Where the purchase price is fixed by a Revenue Court, the latter may allow payments up to a maximum of 12 six-monthly instalments extending over a period of six years. The Protected Tenants' option to purchase his holding will be subject to the right of the land-owner to reserve or secure the permissible area for personal cultivation;

(iv) Legislation should provide for the grant of adequate compensation for improvements effected by tenants. One-third of the produce of land held in a tenancy of the value thereof should be regarded as the maximum rent which may be recovered from the tenant. This maximum limit of rent should apply uniformly to all tenancies, whether below or in excess of the limit prescribed for personal cultivation. This recommendation will also apply to evacuee lands.

#### Reorganization Of The Rural Economy

(i) The alienation of agricultural land for agricultural purposes in favour of non-cultivation should be restricted by legislation;

(ii) The Committee favours, in principle, the imposition of a ceiling on existing agricultural holdings, but recommends that such a ceiling should be a part of a comprehensive programme of reorganization of the rural economy. The Committee proposes that steps should be taken to reorganize the agricultural economy on the basis of a system of co-operative village management over a period of five to 10 years. With the institution of co-operative village management ownership in excess of the prescribed limit is to be extinguished and only such ownership is recognized for purposes of the grant of ownership dividend as falls within the limit. The Committee suggests a limit of 100 acres or 50 "standard" acres, and proposes that if the majority of owners and permanent tenants holding

more than one-half of the land of the village (subject in each case to the ceiling) are in favour of co-operative management of the land of a village, the Government should take steps to provide the necessary measures of assistance to establish the new system;

(iii) A limit of 100 acres is also proposed as the ceiling for future acquisition of land;

(iv) To provide for certain well-developed farms of substantial size belonging to individual owners which need to be kept intact in the general interest of agricultural development, it is proposed that such farms should be maintained by their owners on special conditions to be prescribed by the Government and later they may be acquired and turned into State farms.

## THE AGRARIAN REFORMS COMMISSION, SAURASHTRA, 1950—REPORT

New Delhi, Ministry of States, 1950. 121 p.

Chairman : Shri J. A. Madan.

Members : Shri D. V. Rege; Shri R. S. Mane Patil.

Secretary : Shri R. K. Joshi.

### APPOINTMENT

The Agrarian Reforms Commission, Saurashtra, was constituted under the Ministry of States vide their Resolution No. F.1 (28)-P/50, dated May 13, 1950.

### TERMS OF REFERENCE

To examine and report on:

(i) The history and the present position of the relations between landholders and their tenants in non-Khalsa areas (Note: the word landholder would include, *inter alia*, a Zamindar, Jagirdar, Garasdar, Talukdar, Bhayat, Bhagdar, Peta Bhagdar, Mulgirasia, Barkhalidar, Inamdar and Jiwaitdar);

(ii) The state of land revenue administration including survey, settlement and maintenance of village records in the non-Khalsa areas of Saurashtra;

(iii) The existing tenancy legislation regulating the relations between landholders and tenants, the mode of realization of rent, the status of the tenant and the security of the tenure and quantum of Gharkhed, if any, to be given to the landholder;

(iv) The need and the desirability of determining in the light of present-day conditions and the requirements of modern administration and, in particular, the need for improving agrarian conditions, the respective shares of the State, the landholders and the cultivators in the produce and the assets of the holding;

(v) The desirability of extinguishing differences between the Khalsa and non-Khalsa areas so that a uniform land revenue and land tenure system is established throughout Saurashtra, the manner in which this should be brought about and the administrative organization and legislation necessary therefor;

(vi) The steps to be taken to improve the economic condition of the smaller landholders and tenants, having regard to the effects of Tenancy and Agrarian Reforms on them; and

(vii) Any other constituent and/or cognate matters which the Commission may consider as arising out of the foregoing Terms of Reference.

### CONTENTS

Introduction; Historical Background; Origin of States and Estates; Garasdars and other Grantees; Land Tenure and Revenue Administration; Agricultural Lands and Tenancy Legislation; Agrarian Reforms; Small Landholders and Tenants; Summary of Recommendations; Appendices I to VIII.

### RECOMMENDATIONS

Garasdari and Barkhali systems should be immediately abolished.

For the purpose of compensation for their agricultural land, Garasdars should be divided into three classes:

(a) Those having one or more villages or more than 800 acres;

(b) Those having between 80 and 800 acres;

(c) Those having up to and including 80 acres.

Class (a) should be paid six times cash assessment in lump sum or two annual instalments by their present tenants plus cash assessment annually for 12 years by the Government.

Class (b) should be paid six times cash assessment as in the case of Class (a) plus cash assessment annually for 15 years by the Government.

Class (c) should be paid six times cash assessment as in the case of Classes (a) and (b) plus cash assessment annually for 18 years by the Government.

The amount of compensation should not be liable

to deduction of 12½% as assessment to the Government. The Government should guarantee payment of compensation by the tenants as the non-Gharkhed lands will immediately vest in it as soon as the necessary legislation is passed and it will recover the amount from the tenants who will become occupants of the Government without being required to pay any price for occupancy rights. The Government should also bear interest at 3% on the deferred instalments of compensation payable by it.

Compensation amount should be proportionately reduced in the case of those holdings in the produce or assets of which Garasdas have limited rights.

Compensation for non-agricultural lands, assets and dues should be paid to Garasdas.

All cesses, haks, taxes, etc., payable to Garasdas should be abolished forthwith without any compensation.

All Garasdas will retain as Gharkhed whatever land they have in their actual cultivation at present. They should have a right to resume land from their tenants who have been continuously on land for less than six years ending on January 1, 1951, except those who have acquired Chau or Buta Haks. Garasdas of Classes (a) and (b) should be allowed to resume excess land over an economic holding from their protected tenants up to three times the size of an economic holding including their Gharkhed, if any, and the land resumed from their unprotected tenants.

Garasdas of Class (c) should be allowed to resume land from their protected tenants which, together with their own Gharkhed, if any, and the land resumed from non-protected tenants, will give them an economic holding. Garasdas of this class who own less than an economic holding should not be allowed to resume land from any of their tenants. The total number of evictions would be about 4,800, which gives an average of less than three evictions per alienated village.

Evictions of tenants by Garasdas between August 15, 1947, and the passing of the Saurashtra Protection of Tenants Ordinance No. XXII of 1948 should be ignored in computing the six-year period.

If there is any cultivable waste land in the village, Garasdas of Class (c) should have first preference to it for making their holdings economic.

If land which is resumed from tenants for Gharkhed is not cultivated personally within one year of resumption by the Garasdar, it should revert to the tenants concerned. No evictions should take place without reasonable notice and while making evictions, if there is a choice between two or more tenants, those who are on the land for a lesser period should be displaced first.

Until precise economic holdings are determined under

the Prevention of Fragmentation and Consolidation of Holdings legislation which the Government has under contemplation, the acreages given in Para 130 of economic holdings in various parts of Saurashtra should be taken as a guide.

Garasdas will continue to pay four annas as assessment per acre of Gharkhed during the period of compensation at the end of which they will have to pay full assessment. If the land is sold to a non-Garasdar in the meantime, it will lose the character of Gharkhed.

Talukdars, who have not entered into agreements for privy purse, may still be given an option, to be exercised within a month from the date of intimation, either to convert the Zamindari agreement into a cash hereditary allowance payable by the Government of Saurashtra or to abide by the decision that may eventually be reached on allotment of Gharkhed, compensation and ancillary matters. The cash hereditary allowance should be fixed on the average income of the last 15 years.

Quasi-Mulgarasias and Maiyas should be treated for reservation and allotment of Gharkhed in the same manner as the Garasdas. As the Maiyas have commuted the assessment payable by them by relinquishing a part of their land, they should not be required to pay any assessment on their lands in future unless they wish to become occupancy tenants.

Barkhalidars have no proprietary rights in the lands granted to them and their grants were always resumable. Their grants must, therefore, revert to the State without compensation; but to enable these grantees to adjust themselves to the changed circumstances, we recommend payment of a rehabilitation grant.

Inamdars and Jiwaidars who hold one or more villages should get the rehabilitation grant in the shape of assessment from the Government annually for nine years, while the remaining Inamdars and Jiwaidars should get it for 12 years.

In the case of Hathgarna Jiwai grants, the daughters should get the assessment for their life-time. If a male Jiwaidar dies within the above period, the assessment would be payable to his widow if she is left in indigent circumstances.

Inamdars and Jiwaidars who already possess Gharkhed should be allowed to retain it on payment of assessment at four annas per acre during the period they receive rehabilitation grant, after which they will pay full assessment. If, in the meantime, the land is transferred, it will be fully assessed.

Many of the institutions receiving Dharmada grants have small incomes and are situated in villages. Their management should be handed over to the Gram Panchayat, if any, or to the Village Panch to which

the Government should pay an amount equal to the income derived at present from their grants.

For institutions having a large income or situated in towns, a statutory Religious and Charitable Endowments Board should be set up. The lands held by these institutions will vest in the Government and the tenants will become occupants of the Government.

In the case of Dharmada grants to individuals, if they are cultivating land personally, they should become occupants of their holdings without payment of occupancy price. If these lands are in the possession of tenants they will become occupants and the Government will pay the grantees assessment for six years annually as a rehabilitation grant.

Service tenure holders may be allowed to retain the land, if cultivated by them, free of assessment as long as their services are required. If they are not cultivating the land, they should be paid in cash and their tenants treated as occupants of the Government.

Crop share system should be abolished once for all.

The present method of computing cash assessment in non-Khalsa areas by taking the average of the assessments in the adjoining Khalsa villages, though not quite scientific, appears to us to be fair.

A Settlement Commissioner and Director of Land Records should be appointed to be in general charge of assessing compensation and rehabilitation grants. Actual assessment work will be done by Special Officers of the grade of Mamlatdars who should be appointed for one or more talukas as may be necessary. Appeals against their orders will lie to the Deputy Collectors of the sub-divisions. Revision against the appellate orders will lie to the Settlement Commissioner whose decision will be final. Preparation of land records will have to be done simultaneously with the assessment of compensation and rehabilitation grants by the Special Officers with the assistance of the local officials of the Revenue Department.

There should be a Settlement Officer of the Collector's grade under the Settlement Commissioner for survey and settlement work. The settlement of the whole State should be completed as soon as possible, but as the necessary personnel will not be easily available, we think that this will take about 10 years. Compensation and rehabilitation grants will be paid according to the present rates of assessment until the revised rates come into force.

The Gharkhed Ordinance (XLI of 1949) should be repealed when the new legislation incorporating the final decisions on our various proposals comes into force. A new tenancy legislation, largely based on the Bombay model, would also be necessary. The Act should provide for sub-letting only in the cases of disability, viz., minors, widows and other disabled

persons. Transfer of land should be absolutely banned if this reduces the area left with the transferring tenant below an economic holding, unless he wants to sell his entire land.

While assuming management of landholder's estate during the interim period, it should be seen that the requirements of Section 35 of the Gharkhed Ordinance are fully satisfied.

The Government should, out of its General Revenues, meet the development charges of such alienated villages as go in for Village Panchayat until the entire revenues of these villages become available.

In the allotment of cultivable waste land to small landholders and tenants, no assessment should be charged for the first three years. Fragment holders should be encouraged to form co-operative joint farming societies.

Small fragment-holders should be settled on lands which are being reclaimed.

It is essential to provide against fragmentation of holdings, which is one of the principal banes of agriculture in this country.

Effective steps should be taken to prevent soil deterioration resulting from erosion.

Forest areas should not be allowed to be denuded for temporary gains. Pasture lands should not be allowed to be indiscriminately turned into farm lands.

Debt conciliation and regulation of money-lenders on the lines recommended by the Gadgil Committee and supported by the Congress Agrarian Reforms Committee should be adopted in Saurashtra.

Early steps should be taken to organize financing agencies like banking unions, district banks or an apex bank to finance co-operative credit societies.

There should be a network of co-operative credit societies, and non-credit activities should also be organized on a co-operative basis. For training staff as well as members of societies and for doing propaganda work, the Government help would be necessary in the initial stages.

A Land Mortgage Bank should be established for supplying long-term credit not only for repayment of debts but also for the purchase and improvement of lands and betterment of cultivation.

Cottage and small-scale industries should be established in villages so as to give the smaller landholders and tenants alternative or supplementary employment.

There should be a non-official organization to help the Committee and the Industries Department for starting such industries.

As Garasdars have generally an aptitude for service in the Police Department or in the Defence Forces, they may be given preference for recruitment in these services.

# SUGAR ENQUIRY COMMITTEE ON THE SUGAR CRISIS OF JULY-AUGUST, 1949, 1950—REPORT

Delhi, Manager of Publications, 1951. 88p., iiii.

One-Man Committee : Shri Ganga Nath.

## APPOINTMENT

The Sugar Enquiry Committee on the Sugar Crisis of July-August, 1949, was constituted under the Ministry of Food & Agriculture vide their Resolution No. SV-101 (4-15)/50 dated June 12, 1950.

## TERMS OF REFERENCE

The Government of India in their Resolution No. 33 (1)-T.B./50, dated March 6, 1950, issued by the Ministry of Commerce on the report of the Tariff Board on the Sugar Industry had stated *inter alia* that the question whether any further enquiry into the Sugar Crisis of July-August, 1949, was necessary and if so what its scope should be was engaging their attention and a decision thereon would be taken shortly. The Government have now completed their examination of the Tariff Board Report and having regard to the assurance given to Parliament that an enquiry will be made about such aspects of the Sugar Crisis as were not fully covered by the Tariff Board, they have decided that the enquiry should be held into the following matters of which Items 1 and 2 were recommended by the Tariff Board themselves for further investigation:

(i) The suggestion that the wagon supply to sugar factories for movement of sugar during the season 1948-49 was excessive.

(ii) The allegation that sugar intended for consumption in India was in fact moved into Pakistan on an appreciable scale during 1949.

(iii) The allegation that several factories despatched sugar in breach of the Freezing Order of the U.P. Government on August 26, 1949, and of the Central Government on September 2, 1949.

(iv) The allegation that many factories or their sales agents charged heavy premia over the fixed price during July-August, 1949.

(v) The circumstances under which the proposal for export of the 50,000 tons of sugar was made in May-June, 1949, by spokesmen of the Industry and the circumstances under which the proposal was dropped.

(vi) The allegation that substantial stocks of sugar were moved out by the factories to their own godowns before the crisis, that large stocks were moved by the factories and trade from the Bihar Factories during the interval between the U.P. and the Central Govern-

ment's Freezing Orders and that in July-August, 1949, considerable movement of sugar by factories and trade took place in various directions to facilitate the sale at exorbitant prices of sugar purchased at high premia.

(vii) Any other matter which may be germane to or incidental to any one or more of the afore-stated matters or to any finding of the Tariff Board on the Sugar Crisis.

## CONTENTS

Introductory; The suggestion that wagon supply to the sugar factories for movement of sugar during 1948-49 was excessive; The allegation that sugar intended for consumption in India was in fact moved to Pakistan on an appreciable scale; The allegation that several factories despatched sugar in breach of the Freezing Order of the U.P. Government on August 26, 1949, and of the Central Government on September 2, 1949; The allegation that many factories or their sales agents charged heavy premia over the fixed price during July-August, 1949; The circumstances under which the proposal for export of 50,000 tons of sugar was made in May-June, 1949, by spokesmen of the Industry and the circumstances under which the proposal was dropped; The allegation that substantial stocks of sugar were moved out by the factories to their own godowns before the crisis, that large stocks were moved by the factories and trade from the Bihar factories during the interval between the U.P. and the Central Government's Freezing Orders and that in July-August, 1949, considerable movement of sugar by factories and trade took place in various directions to facilitate the sale at exorbitant prices of sugar purchased at high premia (The allegation that substantial stocks of sugar were moved out by the factories to their own godowns before the crisis; Movement of sugar by factories and trade from Bihar factories during the interval of the Freezing Orders of the U.P. Government and the Central Government); Any other matter which may be germane to or incidental to any one or more of the afore-stated matters or any finding of the Tariff Board on the Sugar Crisis; and Tables.

## RECOMMENDATIONS

The main causes of the Sugar Crisis of 1949 in the opinion of the Committee as also of the Tariff Board were the uncontrolled and accelerated releases from the factories by the Indian Sugar Syndicate and the

decision taken towards the end of June, 1949, to facilitate the export of a substantial quantity of sugar. Both these factors had a marked bullish effect on the sugar markets. The situation was fully exploited by the Industry and the trade to their advantage. Consequently, a feeling of scarcity was created in the latter

half of 1949 leading to high prices of sugar. Unless releases from factories are regulated and properly controlled, or, alternatively, sufficient stocks are at the disposal of the State, there will inevitably be a tendency towards hoarding and profiteering in a commodity like sugar in the latter part of the season.

## IMPORT CONTROL ENQUIRY COMMITTEE, 1950—REPORT

Delhi, Manager of Publications, 1950. 130p. Charts.

Chairman : Shri G. L. Mehta.  
Member : Shri Tulsidas Kilachand.  
Secretary : Shri D. L. Mazumdar.

### APPOINTMENT

The Import Control Enquiry Committee was constituted under the Ministry of Commerce vide their Resolution No. 1 (26)-I.T.C./50 dated July 3, 1950.

### TERMS OF REFERENCE

(i) To enquire into the working of Import Control with reference to:

(a) The procedure followed in the fixation of import quotas for individual commodities;

(b) The procedure and methods followed in dealing with applications for import licences;

(c) The organization of the existing machinery for Import Control;

(d) Any other matter incidental to the working of the Import Control Organization; and

(ii) To make recommendations on the above subjects with a view to improving the efficiency of the Import Control Organization in such a way that applications for licences may be promptly dealt with and disposed of and the complaints against its present working may be removed.

### CONTENTS

Introductory; Import Trade Control Policy in India—A Historical Review (Section A: Genesis of Import Trade Control; Section B: Growth and Development of Import Policy); Import Control Policy (Section A: Objectives and Principles; Section B: The Foreign Exchange Budget); Problems of Import Licensing (Section A: Priorities in Import Control; Section B: Licensing Policy); Problems of Organization and Administration (Section A: Organization of Licensing Work; Section B: Administrative Procedure—Handling and Disposal of Applications); Miscellaneous Recommen-

dations; Conclusion; Summary of Findings and Recommendations; Appendix A to E.

### RECOMMENDATIONS

The basic objectives of the Import Control Policy in this country should be:

(a) To limit the aggregate imports, on Government or Commercial account, to the total available foreign exchange earnings from different sources, including sterling releases;

(b) To distribute the available foreign exchange resources in the most equitable manner among the commodities required for:

(i) The planned development of agriculture and industry; and

(ii) The essential requirements of consumers;

(c) Consistently with the above, to moderate the fluctuations in the prices of particular commodities, where they may have abruptly risen much above the parity of the general level of prices on account of shortages resulting from deficiencies in supply or other causes.

Our Trade Commissioners and Consular Agents should be trained and equipped to make an intelligent forecast of the trends in the principal Indian exports to foreign countries concerned.

The Reserve Bank of India should undertake a systematic study of the modern technique of foreign trade forecasting and adapt it to the requirements of this country.

The Government must do all that they can to increase our invisible earnings of foreign exchange by encouraging the use of the services of:

(a) Indian shipping in our import and export trade;

(b) Indian banking for the transport and financing of our trade; and

(c) Indian insurance in underwriting the risks of our foreign trade.



While a case for protection is pending examination with the Tariff Board, there should not be any sudden change in the Import Policy concerning that commodity without consultation with the Tariff Board.

The working of the current O.G.L.'s should be reviewed immediately in consultation with the trade interests concerned, the Import Trade Controllers and the Collectors of Customs at the three main ports before our recommendation about their indefinite continuance is given effect to.

In future licensing should be only in respect of the two currency blocs, viz., hard and soft currency countries; while the conversion of the latter into the former will be permissible only according to the general licensing policy in regard to hard currency areas that may be adopted as a result of recent Commonwealth Ministers' Conference. In special cases applications for the conversion of soft currency licences into hard currency ones may be considered on merits.

We recommend a liberal extension of the facilities regarding the issue of bulk licences. In the case of those organized industries which are under the control and supervision of well-established and effective Associations, licences should be issued to the Associations in preference to individual firms.

A Standing Inter-Ministry Committee for Capital Goods and Heavy Electrical Plant licensing should be

constituted for a period of one year at a time. The scope of the Capital Goods and Heavy Electrical Plant schemes should be limited to new projects.

In addition to the transfer of the bulk of licensing work to the Ports, we recommend that the procedure for the issue of licences to established importers should be simplified so as to render it as automatic as possible.

The revalidation of Capital Goods and Heavy Electrical Plant licences already issued should be granted within a week and that the Import Trade Controllers should be authorized to grant revalidation.

There should be provision in the licensing procedure for the issue of Emergency Licences.

The Import Trade Controllers at the Ports should be authorized to issue such licences up to Rs. 50,000 under any one serial of the ITC Schedule. Applications for Emergency Licences for higher amounts should be submitted to the Chief Controller of Imports.

The present procedure for the grant of Customs Clearance Permits for the import of personal baggage should be revised on the lines indicated by us in the Report.

The Indian Trade Commissioners in foreign countries should be kept regularly informed of the changes in licensing instructions or procedure so that they may be in a position to advise foreign suppliers in good time.

## COMMITTEE OF INQUIRY (RELATING TO CIVILIAN EMPLOYEES UNDER THE MINISTRY OF DEFENCE), 1950—REPORT

Delhi, Manager of Publications, 1952. 331p.+vp.

Chairman : Shri F. N. Kalyanvala (died).

Members : Shri B. B. Ghosh; Shri K. N. Subramanian.

Secretary : Shri B. Vasudeva Rao.

### APPOINTMENT

The Committee of Inquiry (Relating to Civilian Employees under the Ministry of Defence) was constituted under the Ministry of Defence vide their Resolution No. 19-E dated September 15, 1950.

### TERMS OF REFERENCE

(i) To examine whether the report, generally known as the Shahaney Report, on the basis of which the present pay scales in the Ordnance Factories have been fixed provides a satisfactory basis for the implementation of the Pay Commission's recommendations

regarding pay scales, having regard to the nature of the work to be performed in the Ordnance Factories.

(ii) To examine and make suggestions regarding the rectification of any anomalies in pay scales existing in the present orders applying the revised scales of pay to Defence installations.

(iii) In the light of the Pay Commission's recommendations on the subject, to examine whether conditions in any Defence installation are so special as to justify the grant of a Conveyance Allowance to any class of personnel employed therein.

(iv) To examine whether service conditions regarding permanency of industrial and non-industrial employees in Defence installations need any alteration.

In their letter No. 15 (56) 50/12446/D-11, dated October 30, 1950, addressed to the General Secretary, All India Ordnance Employees' Federation, Calcutta,

the Ministry of Defence stated that overtime pay and gratuity and/or pension could be additional subjects for examination by the Committee.

In another letter No. 15 (56) 50/12848/D-11, dated December 6, 1950, the Ministry of Defence stated that the question of piece-work rates might also be examined by the Committee.

Further, in their letter No. 15 (51) 50/1571/D-11, dated February 8, 1951, the following items were added to the Terms of Reference of the Committee of Inquiry:

(a) To examine and make recommendations regarding the leave rules of industrial employees serving in the Defence Establishments, including all kinds of leave.

(b) To examine and make recommendations regarding the scale of contribution by the Government to the Provident Fund of the employees serving in Defence Establishments, where a Provident Fund Scheme exists.

As the exact scope of the examination of the subjects of overtime pay, gratuity and/or pension was not clear, the Ministry of Defence elucidated the position in their letter No. 759/D-11, dated January 19, 1951, as follows:

#### Overtime Pay

The Committee may examine the eligibility of personnel, who are not at present allowed overtime pay, to such payment, if any representation is made to it. As the Committee is not expected to deal with the question of working hours, the intention was that while examining any question of overtime pay the Committee should start with the basic point that certain working hours are already prescribed.

#### Gratuity And/Or Pension

The point for consideration was how the period of extra temporary service of non-industrial employees (i. e., service prior to August 1, 1949) should be counted for purposes of gratuity for such personnel. Under the existing orders that service does not count at all. The Committee would examine this and make necessary recommendations. On the question of pension there was no special dispute but if the Committee should recommend permanency for industrial employees it would be within their scope of examination to consider whether the normal pension rules should be applied to such employees in lieu of the Contributory Provident Fund benefits which are, at present, admissible to them.

As regards the piece-work rates the Ministry of Defence in their letter No. 136-JS (P)/51, dated August 18, 1951, desired the Committee to advise on the following points:

(a) Whether the present methods of calculations of piece-work earnings of high-paid and low-paid piece-workers should be continued;

(b) Whether all piece-work rates for new jobs in future should be correlated to the new monthly scales in consonance with the principle that a piece-worker of average ability, working at standard speed, should earn 25% profit over time rates; if so, what should be the reference point in the monthly scales to which the piece-work should be correlated;

(c) Whether any revision of piece-work rates is necessary/desirable and, if so, in what manner should such piece-work rate revision be done; and

(d) Should there be a guarantee of the minimum wage to all piece-workers, even when there is no limitation against the ceiling/earnings?

#### CONTENTS

Introductory; Term of Reference I (Pay Scales of Industrial Workers in Ordnance Factories; Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Term of Reference II (Anomalies in Pay Scales); Section I: Clerical and Allied Establishments (Head Clerks—Ordnance Factories; Head Clerks—M.G.O.'s Establishments; Charge Allowance—Supervisory Clerks; Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Senior Temporary Clerks—Ordnance Factories; Cashiers—Ordnance Factories; Cashiers—Ordnance Depots; Cashiers—Technical Development Establishments; Stenographers; Typists; Checkers—Ordnance Factories (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Unified Scales—Cut in pay on account of supervisory element (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Unified Scales—Application to Ordnance Factories (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Unified Scales—Grading of 'B' grade clerks in the revised scale; Unified Scales—Fixation of Pay of 'C' grade clerks in the revised scale; Unified Scales—Fresh option to clerks of the regular establishment (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Unified Scales—Extra element of pay sanctioned at Calcutta and Bombay; Unified Scales—Application of—Timekeepers in Kirkee Ordnance Depot; Lower Division Clerks—Fixation of pay taking into account previous service rendered as daily rated Clerks, Godown Keepers, etc., in the Ordnance Factories; Lower Division Clerks—Fixation of pay taking into account previous service rendered as Leading Hands, etc., in the T.D.E. (Stores), Kanpur; Section II: Storekeeping Establishment—Godown Keepers, Leading Hand (Stores) and Supervisors (Stores)—Ordnance Factories and Depots (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Packers—M.G.O.'s

Establishments (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Packers—Protection to demoted Packers in A.I.G.S., Bengal Area (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Storekeeping Establishment—M.E.S. (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Packers—Engineer Store Depot, Avadi; Storekeepers (E.T.E.)—E.M.E. Workshops (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Loaders and Unloaders—Ordnance Depots; Supervisors (Non-technical)—Fixation of grade of—in Ordnance Depots; Section III: Supervisory Establishment (Technical)—Supervisors—Ordnance Factories (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Supervisors—A.I.G.S., Bengal Area, and other T.D.E.s; Creation of Higher Grades of Supervisory Posts—E.M.E. Workshops; Supervisors (Grade III)—Abolition of Installations under M.G.O. (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Supervisors—Retrospective effect of promotion to 'B' Grade in the case of Supervisors in Factories and T.D.E.s; Motor Transport Supervisors—Downgradation as Supervisors (Non-technical) in Depots; Supervisor (Chemists)—Ordnance Factories (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Junior Scientific Assistants—T.D.E.s; Laboratory Attendants—T.D.E.s; Leading Hands (Technical)—M.G.O.'s Establishments (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Inspectors—Creation of this category in E.M.E. Workshops (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Superintendents B/R & E/M (Grade II)—Charge Allowance; Section IV: Draughtsmen and Tracers (Draughtsmen, Estimators, Rate-fixers and Planners—Ordnance Factories; Draughtsmen—T.D.E.s; Draughtsmen—M.E.S.; Tracers—Defence Establishments); Section V: Viewers—Viewers—T.D.E.s (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Viewers—Fixation of pay in the revised scales on the basis of 26 times the daily rates instead of 24 times; Section VI: Other Non-Industrial Categories (Teachers—Schools attached to Ordnance Factories; Civilian Medical Officers—Non-Practising Allowance; Compounders—Defence Establishments; Nurses—Ordnance Factory Hospitals; Ayahs—Ordnance Factory Hospitals; Dhobis/Washermen—Defence Establishments; Sweepers—Retrospective effect of the revised scale from January 1, 1947; Motor Drivers—Defence Establishments; Armoured Fighting Vehicle Drivers—Ordnance Depots; Fire Patrolmen—Recategorization in Ordnance Depots; Fire Brigade Staff—Ordnance Factories; Photographers—T.D.E.s; Telephone Operators—Defence Establishments; Gatekeepers—Ordnance Factories; Subedar Durwans and Jamadar Durwans—

Ordnance Factories); Section VII: Industrial Establishments—Engravers—T.D.E.s; Lappers—T.D.E.s (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Shooters—T.D.E.s; Proof Firers—T.D.E.s; Book-binders, Compositors and Printers—Ordnance Depot Presses; Fitters—Reclassification as Fitter Mates in T.D.E.s; Fitter Mates—Defence Establishments; Instrument Mechanics & Telecommunication Mechanics—T.D.E.s; Turners and Grinders employed in Gauge Rooms—T.D.E.s; Tradesmen—Wage Structure in M.E.S.; Semi-skilled Tradesmen—M.E.S.; Tradesmen—Naval Dockyard, Bombay; Tradesmen—Naval Armament Depot, Waltair, Visakhapatnam; Tradesmen—Wage structure in D.O.S., D.M.E., D.T.D. and M.E.S. (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Labourers engaged in lifting heavy loads—Defence Establishments (other than Ordnance Factories) (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Beldars—M.E.S.; Section VIII: General Points—Loss of pay on promotion; Protection of pay last drawn in a post on re-promotion to the post in the case of Industrial Employees; All India Service Liability Allowance (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Arrears under the revised pay rules to persons discharged in the year 1947 (Mr. Subramanian's Recommendations; Mr. Ghosh's Recommendations); Pay of Displaced Personnel (Mr. Subramanian's Recommendations; Mr. Ghosh's Recommendations); Continuity of Service on Transfer from E.T.E. to Regular Establishment; Classification of Employees as Industrial and Non-Industrial (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Fixation of Pay in the Revised Scales on the basis of pay in the lower grades to which personnel were reverted subsequent to January 1, 1947; Method of converting daily rate of pay into monthly rate; Term of Reference III: Conveyance Allowance (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Term of Reference IV: Permanency; Term of Reference V: Piece-work Rates (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Term of Reference VI: Leave; Term of Reference VII: Government's Contribution to Provident Fund; Term of Reference VIII: Overtime Pay (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Term of Reference IX: Gratuity (Mr. Ghosh's Recommendations; Mr. Subramanian's Recommendations); Acknowledgments; Appendices A to G.

## RECOMMENDATIONS

### Pay Of Industrial Workers In Ordnance Factories

Mr. Ghosh's Recommendations: There is no doubt whatsoever that for industrial workers the Pay Com-

mission advocated short-time scales and a number of scales within one trade.

The Pay Commission did not consider it either necessary or desirable to classify or to re-classify trades into Skilled, Semi-Skilled, etc., with a view to applying the scales of pay recommended by them. Recognizing that one category merges into the other the Pay Commission recommended certain common scales for Skilled and Semi-Skilled Categories.

The classification of certain trades as "Skilled" without consideration of the different degrees of skill, etc., within one trade and the adoption of one long-time scale for all such trades would be not only not in accordance with the recommendations of the Pay Commission, but would be wholly unsuited to the Ordnance Factories.

For a production organization like the Ordnance Factories, men of varying degrees of skill, experience, etc., in the same trade are required and the payment of the same scale of pay to all would be unjustified and would take away all incentive for improving one's skill.

An additional reason for not adopting a long-time scale for any category in the Ordnance Factories is the incompatibility of a long-time scale with the system of piece-work.

The variations made by Mr. Shahaney from the scales suggested by the Pay Commission are on the whole beneficial to the workers.

Not only has Mr. Shahaney adopted a system of pay scales which is in accordance with the Pay Commission's Recommendations and suited to the requirements of the Ordnance Factories, he has framed his detailed proposals for the different trades with due care and keeping in view all the essential elements. Although he has tried to bring about uniformity out of diversity in the various factories, he has given due weight to past practice, to the extent necessary. He has taken every care to ensure that his gradation is correct and that it is such as should be acceptable to all concerned including the workers and the management. The gradation has received the general approval of the Superintendents of all the factories, and the labour representatives have not been able to establish and defect in this grading.

Mr. Shahaney does not claim to have followed an ideal or a perfect method of job evaluation based entirely on independent data and covering all trades and grades. Since this was neither necessary nor practicable, he adopted a simplified method designed to achieve the limited objective of bringing about uniformity between the different factories with the minimum of disturbance.

In the method of job evaluation followed by Mr. Shahaney, the maximum number of marks were allotted to the degree of skill and while therefore the

final grading is very largely based on the degree of skill, it does not ignore other important factors. It must, therefore, be considered an improvement on a system of classification with reference to skill only.

The so-called downgradation of workers does not disclose any defect in the Shahaney Report. Such seeming downgradations are an inevitable consequence of a Rationalization Scheme. The perpetuation of the old classification which was not based on any scientific or uniform standard would have only perpetuated the old diversity and defeated the object of rationalization. The interests of workers have been sufficiently safeguarded by appropriate instructions that trade tests should be conducted on practical lines and that promotion to the old grade should be permitted irrespective of vacancy. The workers have also been assured of their old daily scale of pay.

From the views summarized above, it follows that in my opinion "the Shahaney Report, on the basis of which the present scales in the Ordnance Factories have been laid down, provides a satisfactory basis for the implementation of the Pay Commission's Recommendations regarding pay scales, having regard to the nature of the work to be performed in the Ordnance Factories".

While holding that the Shahaney Report as a whole is sound, I have suggested that the two scales of Rs. 35—45 and Rs. 36—50 for Semi-Skilled workers should be combined into one scale of Rs. 35—50. I have suggested this mainly for the sake of simplicity and for removing a grievance which can be removed without upsetting the pay scheme.

I consider that the other pay scales should remain as they are. In my view, they are better in some respects than the scales recommended by the Pay Commission. The existing pay scales fall into a pattern and I do not think it is possible to make any significant alteration to any of the scales without destroying the pattern.

I do not agree with the suggestion that all learners and mates should be given the scale of Rs. 40—60 and that the scale of Rs. 36—50 should apply mainly to those who are slightly above the Unskilled category. In my view, the normal scale for Learners and Semi-Skilled workers should be Rs. 35—50. The scale of Rs. 40—60 should apply to those who possess higher skill though not of the same degree as would enable them to pass the trade test prescribed for Fully Skilled tradesmen.

I suggest that those workers who, before the introduction of the new scales, were classified in a higher grade should be promoted to the corresponding higher grade with retrospective effect from the date of election of the new scales, if they pass the necessary trade test in one attempt within a period of six months. It follows that those (similarly downgraded men) who

have already passed in the first attempt should be given retrospective effect to their promotion to the higher grade.

I do not recommend that interim relief should be considered as basic pay for the purpose of fixation of pay in the new scales under the Revision of Pay Rules. I consider that a special dispensation in this matter for Defence employees only is not feasible.

I recommend that the pay should be fixed in the final scales sanctioned on the basis of the Shahaney Report, in terms of the second option, under the Revision of Pay Rules and, for this purpose, the prescribed pay should be taken as the daily rate appropriate to the date from which the new scales are elected and not the pay on the provisional monthly scales.

**Mr. Subramanian's Recommendations:** The Recommendations made by the Pay Commission in respect of the industrial staff in Ordnance Factories cannot be deemed to be anything more than a broad indication of the principles and of the level of salaries that must be taken into account in framing a wage structure.

The wage structure in Ordnance factories under the daily-rated system was very defective.

The evolution of a new scale each for the Unskilled, Semi-Skilled and Skilled categories and the making of minor changes in the rates of increments in certain scales constituted the main difference between the Provisional Scales and the Shahaney Scales.

The main defects of the job evaluation done by Mr. Shahaney are :

- (a) Secrecy of the Report;
- (b) Absence of mention of job evaluation in the Report;
- (c) Non-consultation with workers;
- (d) Omission to carry out job analysis and description;
- (e) Failure to take into account working conditions and hazards for purposes of job evaluation; and
- (f) Assumption rather than ascertainment of differentials.

A system of short scales is preferable to a single long scale in Ordnance factories.

The scale of Rs. 40-2-60 recommended by the Pay Commission as one of the scales for the Skilled Category is not for the full-fledged or truly Skilled Category but is for a category which is less than truly Skilled.

The lowest of the short scales prescribed for truly Skilled Tradesmen should start at a minimum of Rs. 60.

Three scales are recommended for the Skilled category, viz., Rs. 60-3-75, 75-3-90-5-105, and 105-5-150.

Trade tests should be prescribed both for entry into the Skilled category at the Rs. 60 level and for promotion to the higher scales.

A scale of Rs. 40-2-60 is recommended for Learners and Mates in trades classified as Skilled.

The scale of Rs. 35—45 for the Semi-Skilled category should be abolished.

Two scales, viz., Rs. 36-1-40-2-50 and Rs. 40-2-60, are recommended for the Semi-Skilled category.

Downgraded workers would be well advised to take tests as early as possible.

It is suggested that all downgraded persons who pass Trade Tests in the first attempt should be restored to the grades for which they have been tested from January 1, 1947, or other date of option.

"Interim Relief" should be treated as part and parcel of basic pay for the purpose of fixation of pay on the revised scales.

There are advantages in ensuring that for comparable trades and grades within each trade in factories and workshops under the more important Departments the same standard of trade test specifications is observed.

The multiplé for the conversion of daily rates into monthly rates should be 26 and not 30.

The method of giving effect to the second option has been explained.

A Classification Tribunal should be set up, first for classifying all trades into the Highly Skilled, Skilled, Semi-Skilled and Unskilled categories, and then, if need be, for sub-dividing particular trades into Skilled I, Skilled II and Skilled III or Semi-Skilled I and Semi-Skilled II, according to requirements.

Recommendations regarding the classification of trades and the appropriate pay scales are given.

The Classification Tribunal should consist of three technical persons, of whom one should be nominated by the Federations acting jointly, another by the Director-General of Ordnance Factories and the third by the Defence Ministry. The last mentioned who should be appointed as Chairman should be an officer not under the control of the Defence Ministry.

Special arrangements should be made for the prompt trade testing of workers for their initial fixation in the appropriate grades in all cases in which fresh testing is considered necessary.

#### Clerical And Allied Establishments

##### Pay of Head Clerks In Ordnance Factories

We recommend that the normal scale of pay for Head Clerks in the Ordnance Factories should be Rs. 200-10-300, but for the very big factories where the strength of the clerical staff is appreciably higher than the average, the scale should be Rs. 260-15-350. Below the Head Clerk the Upper Division Clerks in actual charge of sections of groups or men should be entitled to the usual Charge Allowance as sanctioned in other Defence Establishments.

## **Pay Of Head Clerks In Ordnance Depots, Technical Development Establishments And E.M.E. Workshops**

This matter, in so far as it affects Ordnance Factories, has already been dealt with, and we have recommended the adoption of the following two scales of pay for Head Clerks:

(i) Rs. 200-10-300;

(ii) Rs. 260-15-350.

We recommend the adoption of the same scales for the appointment of Head Clerks sanctioned in the other Establishments mentioned. It has been pointed out that there are a number of very small Establishments which employ 15 to 30 clerks. In such cases, it may not be necessary, unless the special nature of work justifies it, to sanction a post of Head Clerk on either of these scales. Either only a post of Assistant-in-Charge with the usual Charge Allowance should be sanctioned or, where it is necessary to create an appointment of Head Clerk, he should be on the existing scale of Rs. 160-10-250.

## **Charge Allowance To Clerks-in-Charge In Ordnance Depots**

**Mr. Ghosh's Recommendations:** The number of posts carrying Charge Allowance will naturally depend on the organization of each office because obviously the question of payment of Charge Allowance arises only if someone is made to supervise the work of other clerks. The Committee has been given to understand, however, that there is always uncertainty about anyone drawing Charge Allowance for any length of time, because it happens quite often that a J.C.O. is posted to a Depot and since a J.C.O. is intended to be employed as a Supervisor, a civilian clerk already drawing Charge Allowance has to drop the allowance. While there is nothing wrong in this system, it is felt that it would be an advantage and it would lead to greater satisfaction if administrative arrangements can be made in such a manner that large-scale reversions of this nature do not take place. That could be achieved by allocating a minimum number of supervisory appointments to the civilian clerical cadre.

**Mr. Subramanian's Recommendations:** While I agree with Mr. Ghosh's report as far as it goes, I would point out that A.I. 845 of 1945 which regulates payment of Charge Allowances has been differently interpreted by different authorities and that according to a recent report from the Adjutant-General's Branch even a clarification issued by the Ministry of Defence after due consultation with the Financial Adviser has been held to be inconsistent with A.I. 845/45 by the C.D.D.A. It is, therefore, necessary that further instructions should be issued on the subject. In particular it should be made clear whether the number of Charge Allowances of both Rs. 40 and Rs. 20 should

be based on the total clerical strength of a Depot or other establishment or whether they would be admissible only if the clerical establishment lent itself to grouping into "independent" sections—whether compact or scattered. I feel that it is not a satisfactory arrangement to assign the supervision of the first 25 clerks to one called a "Head Clerk" on an allowance of Rs. 40, who will also be expected to have "general supervision" over all Assistant Head Clerks in the establishment. I would suggest that there should be at least one Head Clerk in each establishment on a scale of pay comparable to the new scales of pay recommended by the Committee for Head Clerks in Ordnance Factories, who will be in charge of the overall supervision of the entire clerical cadre in the establishment. The clerical establishment should then be divided into sections. In such sections an Assistant Head Clerk drawing a uniform rate of allowance should be placed in direct charge of a prescribed number of clerks. Where in a section there are two or more Assistant Head Clerks, the seniormost among them should be given a higher rate of allowance and asked to exercise general supervision over the charges of the other Assistant Head Clerks besides supervising the work of the clerks placed directly under his charge. This pattern of organization would need to be departed from only in the case of small establishments with a clerical strength of, say, less than 25. In such a case all that would be required is to have one Head Clerk on a scale of pay of Rs. 160-10-250.

## **The Position Of Senior Temporary Clerks In The Ordnance Factories**

Any straightforward protection of pay of Head Clerks and Senior Temporary Clerks, Grade I, or for that matter of that of anyone holding a non-permanent post would amount to a clear departure from the general orders of the Government. In other words, if the matter is to be considered at all, it has to be considered as a general proposition. A suggestion was made that a protection should be given to non-gazetted employees. It is not strictly a matter within the province of the Committee and it is for the Government to consider the suggestion.

## **Cashiers And Assistant Cashiers In The Ordnance Factories**

We do not consider that any revision of the scale of pay of Cashiers and Assistant Cashiers is called for.

## **Cashiers In Ordnance Depots**

As long as the Clerks are not responsible for the disbursement and custody of cash they cannot be regarded as Cashiers.

## Cashiers And Assistant Cashiers In Certain Technical Development Establishments

We recommend that Cashiers and Assistant Cashiers in the T.D.E.s who are pre-1931 entrants should be allowed to retain their prescribed scales of Rs. 200-10-300 and Rs. 100-10-150. The Assistant Cashiers who may elect to move on to the revised scale, namely, Rs. 80-5-120-EB-8-200-10/2-220 should be allowed to have their starting pay fixed in the revised scale on the basis of their existing pay in the scale of Rs. 100-10-150 because this being a pre-1931 scale applicable to the corresponding post in the factories cannot be regarded as inflated.

## Stenographers

This is not a proposition which can be considered under the Terms of Reference of this Committee, because it is not an anomaly which requires to be rectified, but it is an entirely new demand which goes beyond the recommendation of the Pay Commission.

## Typists

We do not consider that any modification of the existing pay scale of Typists in the Defence establishments is called for.

## Checkers In Ordnance Factories

Mr. Ghosh's Recommendations: The category of Checkers is peculiar to the Ordnance Factories. It is not unnatural that in an industrial establishment there will be a variety of work of a very routine nature not requiring any special educational qualification or experience. There is nothing inappropriate, therefore, in laying down a special rate of pay lower than the scale prescribed for the Lower Division Clerks for such a category where Matriculation is not required to be the minimum educational qualification.

I am of the opinion that the category of Checkers should be retained as a separate category, but such of the appointments as, on a proper assessment, can be considered as clerical appointments should be merged into the clerical cadre. The mere fact that the holders of such appointments were in the past on daily rates of pay is no justification for keeping them in a separate category. From the information supplied by the Director-General, it seems that a considerable number of these Checkers are in actual practice employed on clerical duties. (It is seen that a very large number of Checkers are Matriculates.) If these appointments are converted into Lower Division Clerks' appointments, it is possible that the majority of the Matriculates amongst them will be absorbed as Lower Division Clerks. On the whole I think that would meet the situation.

If those who are employed on clerical duties are merged in the clerks cadre, as I have suggested previously, for the rest there is no need or justification for laying down Matriculation as the minimum qualification.

If the clerical appointments in Grade I of Checkers are merged with the clerical cadre, I doubt whether for the remaining appointments two distinct grades would be justified or necessary. I consider that the best course would then be to have one scale of Rs. 45-2-55-3-85. This incidentally is the scale applicable to non-Matriculate Leading Hands in the Ordnance Depots.

Mr. Subramanian's Recommendations: I feel that even the 885 Checkers who are supposed to be doing semi-clerical duties according to the Director-General are, in fact, doing work comparable to that of Lower Division Clerks in the Government offices and that the posts of Checkers should be abolished and replaced by those of Lower Division Clerks.

As the duties performed by Checkers are comparable to those of Lower Division Clerks, I feel that for future recruits the Matriculation should be fixed as the requisite educational qualification. As for the existing non-Matriculates, special exemption from the minimum educational qualification will be necessary on the lines of A.I. No. 16/S/49 for non-Matriculate clerks.

## Fixation Of Pay Of Extra Temporary Establishment—Clerks

Mr. Ghosh's Recommendations: It cannot be said that the E.T.E. clerks on daily rates of pay have done at all badly. I, therefore, do not consider that a case exists for reviewing the orders relating to the fixation of pay in the unified scales of pay.

It was stated that in certain Ordnance Depots, clerks who were employed on monthly scales of pay (pre-unified) and were in receipt of a maximum pay of Rs. 80 per month were not graded 'B' but were moved on to Grade 'C' only, contrary to the orders issued by the Government. If this is a fact, it was a mistake and it is for the administration to rectify it.

Mr. Subramanian's Recommendations: I am convinced that the so-called clerical supervisors were only Senior Clerks and that their rates of pay even up to Rs. 7 per day were not excessive even if unauthorized. That being so, deduction of the supervisory element is, in my opinion, not proper. I suggest cancellation of the orders relating to the deduction of the supervisory element.

In view of the new situations created by the considerable delay that took place in the implementation of the unified scales of pay and as there was every possibility of the numerous orders issued from time to time not being fully understood by the affected persons,

I suggest that the request of the Federations may be acceded to.

#### Application Of The Unified Scales Of Pay To The Clerical Establishment Of Ordnance Factories

Mr. Ghosh's Recommendations: The Director-General has explained to the Committee why the unified scales were not introduced in the Ordnance Factories and has further pointed out the difficulties of introducing them now, after so many years, with retrospective effect, mainly because of promotions and demotions during this long period. I think it is necessary at this stage to examine whether it was right for the factories not to introduce the unified scales of pay because apart from anything else it is not a matter before this Committee. The only question is whether, even though the unified scales were not in actual fact applied, there is justification for recalculating the pre-prescribed pay of clerks as if they had been brought on to the unified scales of pay with effect from September 1, 1944, for the purpose of fixation of pay in the revised scales under the Revision of Pay Rules. I consider that it is administratively impossible to reopen things which happened seven or eight years ago and to set right past irregularities, even assuming there was an unjustified irregularity in this case.

When unified scales were introduced in other establishments, the existing employees were given an option to retain their old scales or to come on to the unified scales.

I can find no justification for suggesting that the pay of Ordnance Factory clerks should be recalculated as if unified scales were introduced in the Ordnance Factories with effect from September 1, 1944.

Mr. Subramanian's Recommendations: I wish that the orders already passed by the Government in respect of clerks in all establishments under the Defence Ministry had been implemented.

The salaries of clerks in Ordnance Factories brought on to the revised scales be recalculated on the assumption that the unified scales of pay had been applied to them with effect from September 1, 1944, or June 1, 1946, as may be found more advantageous to the individual concerned.

#### The Grading Of Clerks Who Were In 'B' Grade Of Unified Scale As Lower Division Clerks

The case of the Upper Division Clerks of the Defence Accounts Department, who were graded 'B' under the unified scales of pay scheme, is not comparable to the case of Grade 'B' clerks of the other Defence Establishments. The Grade 'B' clerks of the other Defence Establishments were all L.D.C.s, and the U.D.C.s were all in Grade 'A'. We do not

find any substance in the grievance of the Clerical Association.

#### Anomaly In The Fixation Of Pay Of L.D.C.s Who Were Previously In Grade 'C' Of The Unified Scales Of Pay

The demand of the Clerical Employees is that the starting pay of Rs. 60 which they were allowed initially should be treated as basic pay without any deductions. The Association quoted the instance of Storemen who were similarly started on Rs. 60 in the scale of Rs. 45-3-75-EB-80-5/2-105 on similar considerations and in their case the Government had allowed the starting pay to be fixed in the revised scales on the basis of the higher pay of Rs. 60.

We do not find the claim of the Association justified. Their pay at no time was reduced below Rs. 60 and had not the unified scales of pay been introduced they would have had to stay on at the stage of Rs. 60 till their advance increments were absorbed. Though it is true that the All India and Field Service Liability Allowances as separate entities have not been provided for in the revised scales of Pay Scheme, it is to be noted that under the orders previously in force also the element of a higher start on account of these liabilities would have been reduced and after a time they would not have been entitled to any extra element of pay for these liabilities.

We do not also regard the case of Storemen quite analogous in view of the fact that the Storemen were not admitted to the unified scales of pay and did not draw any All India and Field Service Liability Allowances separately as did the clerks.

We therefore do not consider that there is any anomaly.

#### Fresh Option To Elect The Unified Scales In The Case Of Those Employees Who Did Not Elect To Be Governed By Those Scales

Mr. Ghosh's Recommendations: It is not administratively feasible now to recalculate a man's pay from September 1, 1944, and refix it from January 1, 1947, or January 1, 1948, and then to adjust subsequent payments. So far as this particular demand from clerks, who were given the option to elect unified scales but exercised the option in a manner which has turned out to their disadvantage for the future, is concerned, it is undoubtedly unfortunate; but it is in my view difficult for the Government to give fresh options to employees in such cases whenever it turns out later that the new circumstances have made the original option disadvantageous.

Mr. Subramanian's Recommendations: If employees had known that the unified scales were a stepping stone to the eventual permanent scale, it stands to



reason that they would have elected it. As all the facts necessary in such cases for making up one's mind were not before the clerks, I feel that this is a fit case for giving a fresh opportunity to the affected persons to be brought over to the revised scales through the unified scales.

#### **Treatment Of The Extra Element Of Pay Sanctioned For Clerks On Unified Scales Of Pay Stationed At Bombay And Calcutta As Part Of Basic Pay For Fixation Of Pay In The Revised Scales**

We do not find any justification in this grievance since the personnel have been allowed compensation for high cost of living separately.

#### **Application Of Unified Scales Of Pay To Time-keepers Employed In The Kirkee Ordnance Depot**

We consider that the Time-keepers of the Kirkee Ordnance Depot cannot be treated differently from those in other Depots, and that the former too should be moved on to the revised scales through the unified scales. If any overpayment has been made, no recovery need be effected.

#### **Counting Of Service Rendered By Temporary Clerks Of Ordnance Factories, As Daily Rated Clerks, Godown Keepers, Supervisors Grade 'C' And Miscellaneous Appointments Having Identical Scales Of Pay Of Temporary Clerks Grade 'B', For The Purpose Of Fixing The Starting Pay In The Revised Scale Of Lower Division Clerks.**

We recommend that prior service of temporary clerks rendered on daily rates, when substantially clerical, should be allowed to count for increments, while fixing the starting pay in the revised scale.

We recommend that service as Junior Godown Keepers should also be treated as service in corresponding scale for the purpose of fixing the starting pay of temporary clerks in the revised scale of L.D.C.s.

#### **Loss In Pay Due To Classification Of Clerks As Leading Hands And Later Again As Clerks In The Technical Development Establishments (Stores), Kanpur**

As it is apparent that the duties of the individuals affected had not undergone any change during the period they were classified as Leading Hands and re-classified as Clerks and as the scales of pay are also practically the same (except that the scale applicable to Leading Hands stops at Rs. 125 and the scale applicable to Clerks goes up to Rs. 130) we recommend that the pay of the individuals should be re-fixed from the beginning as though they have continued as clerks.

As regards the Leading Hands (Stores), who have continued in the T.D.E. (Stores), the D.T.D. has stated that there is a proposal to abolish the category

of Leading Hands (Stores) and to absorb the existing incumbents as Storemen. The representatives of the Kanpur Federation have suggested that when this is done, the existing incumbents should move on the same rate of pay which they are drawing at present. The D.T.D. is also of the same view.

We recommend that this should be done, since here too there is no difference in the duties of Leading Hands (Stores) or Storemen and if any Government orders are necessary they should be issued.

#### **Store-keeping Establishment**

#### **Store-keeping Establishment In Ordnance Factories And Ordnance Depots**

Mr. Ghosh's Recommendations: Since the E.T.E. has been abolished and as the duties are more or less the same, I consider that there is no longer any justification for maintaining two categories like Leading Hands (Stores) and Storemen. It is suggested that there should be only one category of Storemen on the scale of Rs. 55—130 and the Leading Hands should be re-designated as Storemen. Supervisors are in two grades, Grade II being on Rs. 80—120 and Grade I being on Rs. 100—180. It is suggested that Supervisors, Grade II, may be re-designated as Storemen on the scale of Rs. 55—130 (unless any particular individual wishes to retain his existing scale of pay, in which case it may be protected to him or unless anyone is fit to be made a Store-keeper straightaway) and Supervisors Grade I may be re-designated as Store-keepers, Grade IV, on the scale of Rs. 100—185.

In determining the scale of pay of an appointment it is necessary to consider not only the duties and responsibilities but also the type of man required to hold such an appointment. I consider that in a case of this nature, where the assessment of duties and responsibilities is difficult, it is more desirable to consider what qualifications are required of an individual, to determine an appropriate pay for him or his class because, apart from anything else, qualifications are an indication of what an individual is capable of doing. Godown-Keepers are not Tradesmen and the D.G.O.F. has stated that no minimum educational qualification has been laid down for Godown-Keepers. In other words, neither are they skilled nor have they any prescribed educational qualifications. Whatever may be the organizational difference, the lowest level of store-keeping personnel is a Godown-Keeper in Ordnance Factories and a Storeman in Ordnance Depots. It may be that the former, because of a somewhat different organization, is required to undertake a little higher responsibility but one cannot go on weighing responsibilities in a scale in this manner. I find that the number of higher appointments open to

Godown-Keepers in the Ordnance Factories is proportionately very much higher than the number of appointments open to Storemen and equivalent category of Leading Hands (Stores). Roughly the proportion works out as 1 to 1 in the Ordnance Factories and about 1 to 5 or 6 in the Ordnance Depots. In the clerical cadre, the proportion between the Upper Division and Lower Division varies from 1 to 4 and 1 to 6. Therefore, on the whole, the Godown-Keepers in the Ordnance Factories have better prospects and there can be no justifiable grievance if their pay is similar to that of Storemen. To give them the pay of Supervisors would be wholly unjustified.

At present, there are two scales of Godown-Keepers. Both the grades start with the same minimum of 55, but while the Junior Grade stops at 105, the Senior Grade goes up to 130. I see no particular merit in this system. I suggest that the two grades be abolished and all be placed on the scale of Rs. 55—130, a scale which is common to Lower Division Clerks and Storemen.

**Mr. Subramanian's Recommendations:** I agree that Leading Hands (Stores) should be re-designated as Storemen and brought on to the scale of Rs. 55-3-85-4-125-130.

Supervisors, Grade I and Grade II, be re-designated as Store-keepers, Grade III and Grade IV, on the scales of Rs. 150—225 and Rs. 100—185. In view of the responsibilities shouldered by Supervisors, Grade II, I do not think that it is proper to re-designate them as Storemen on Rs. 55—130.

Godown-Keepers should be equated at least to Store-keepers, Grade IV, i.e., Supervisors, Grade B, Ordnance Factories, on the scale of Rs. 100—185. I recommend that the categories of Godown-Keepers, junior and senior, be abolished and merged in Supervisor, Grade B, on Rs. 100—185.

#### Scale Of Pay Of Packers

**Mr. Ghosh's Recommendations:** I suggest that the D.O.S. and the Director-General, Ordnance Factories, should jointly consider whether the scale of Packers calls for any improvement and, if so, what improvement is justified comparing their duties and responsibilities with those of other tradesmen.

**Mr. Subramanian's Recommendations:** I suggest the scale of Rs. 40-2-60-EB-3/2-75 for Packers (Ordinary). This would necessitate upgradation of the scale of pay of Packers (Special). For them I would suggest the scale of Rs. 55-3-85, which is the first part of the scale prescribed for Leading Hands.

#### Demotion Of Packers—A.I.G.s, Bengal Area

**Mr. Ghosh's Recommendations:** The issue involved is one of principle. Should the Government accept the proposition that once a man has been fixed on

a scale of pay, he must necessarily be continued on that scale even if the number of appointments in that scale is reduced? Though the number of cases involved here is small and one could perhaps make a departure just to satisfy the men, it is necessary to consider this matter in the light of day-to-day events in administration and particularly in the Defence Services. In the Defence Organization the numbers of posts in the aggregate as well as in the different grades are liable to wide fluctuations due to variation in the load of work and if posts have to be reduced as a result of a fall in the workload, it may involve not only retrenchment but also demotion. In such cases also, the men may point out that they have drawn the higher scales for years and ask for protection. Such a demand has never been accepted and cannot, I suggest, be accepted. I cannot see any essential difference between such cases and the case of Packers we are dealing with (except that the case of Packers is even weaker in that it may be held that their fixation in the higher scale was never intended). I suggest that the only practicable way of satisfying these few men is to consider the possibility of transferring them elsewhere where appointments in the higher scale may exist.

**Mr. Subramanian's Recommendations:** When the same set of percentages are allocated to the various grades of a particular trade or job in all the establishments under a directorate, it is a reasonable presumption that the percentages are not based on the actual requirements of each establishment and that they have been laid down after taking into account an average sample of work found in the establishments. If then a particular establishment had, in the past, been employing comparatively higher-grade staff and such staff were drawing pay, at the time of transition to the new scales, at a level which would take them to a higher grade, there is *prima facie* a presumption that that establishment requires still higher-grade posts. Even if further examination justifies more lower-grade posts I should say that existing incumbents, placed where they are for no fault of theirs, should be allowed the higher scales warranted by their previous daily rates, at least as a personal concession. The practice adopted in Ordnance Factories at the time of the initial fixation of workers on the revised scales of pay was based on this principle. Many trades in Ordnance Factories have a number of grades and percentages have been laid down for those grades. Nevertheless all workers were initially placed in the grades in which 26-times their daily wages fell. There was even a further concession. When workers found themselves demoted by the 26-times-the-daily-wages formula, they had only to pass a trade test to be restored to their old grades, irrespective of percentages or vacancies. In the present case the placing of four out of five

Packers in the scale of Rs. 40—75 by the application of the 26-times-the-daily-wages formula was in accordance with the practice in Ordnance Factories and hence, in my opinion, correct. The strict application of a fixed ratio as between the various grades, on the initial constitution of a proper cadre, is bound to cause hardship to existing workers even though such a ratio might be appropriate for eventual attainments. I feel, therefore, that the three demoted Packers should be restored to the scale of Rs. 40—75 and that their posts should be converted into the lower category ones only when they next fall vacant.

#### Pay Of Store-keeping Organization In The M.E.S.

Mr. Ghosh's Recommendations: I do not consider that the prospects of the store-keeping establishment in the M.E.S. are on the whole worse than either in the Central P.W.D. or in the Ordnance Services. The Pay Commission had recommended that the M.E.S. and the Central P.W.D. scales should be similar and I do not see any justification for departing from this principle. However, as in the case of the C.P.W.D. (and also the Ordnance Depots), the scale of pay for Matriculate Store-keepers, Grade II, in the M.E.S. should be Rs. 55-3-85-4-125-130 and suggest that they should be redesignated as Storemen to indicate that they are a lower category than Store-keepers in other Defence establishments and similar to Storeman/Godown-keeper. If this is done, the position of the lowest grade of Store-keeping staff will be the same in the M.E.S. and C.P.W.D. While the highest grade in the Central P.W.D. is Rs. 80—220, in the M.E.S. this is, in a way, split up into two grades of Rs. 80—160 and Rs. 100—200, but there is provision for a still higher grade of Rs. 200—410. There are further opportunities for promotion to gazetted rank. In my view it would on the whole be better to leave the pay scales as they are, except in the case of the Storemen where the scale may be improved to Rs. 55—130 in which case future recruitment should be restricted to Matriculates.

Mr. Subramanian's Recommendations: The scales of Rs. 80-5-120-EB-8-160 for Store-keepers, Grade I, and Rs. 100-8-140-10-200 for Supervisor, Grade II, should be changed to the corresponding conventional scales, viz., Rs. 100-5-125-6-185 and Rs. 150-7-185-8-225. The scale of Supervisor, Grade I, namely, Rs. 200—410 will then correspond to the two higher grades of Rs. 200—300 and Rs. 260—350. If Store-keepers, Grade II, are independently responsible for receipt, custody and issue of stores, they should be promoted to the next higher category for which I have suggested a scale of Rs. 100—185 above. If, however, they are not in independent charge and are more in the nature of Assistants, they should be re-classified

as Storemen on Rs. 55—130 and the present Storemen on Rs. 35—50 designated differently.

#### Pay Of Packers In The M.E.S.

There are two grades of Packers in the M.E.S., Grade I, in the scale of Rs. 40-2-60-3/2-75 and Grade II in the scale of Rs. 35-1-50. One of the Unions brought out that although there are two grades of Packers, the higher grade has not been sanctioned for the Engineer Store Depot, Avadi.

This is a matter which the Engineer-in-Chief may look into and if there is work for the higher grade, he will no doubt get the necessary post sanctioned as soon as possible. Unless higher grade work exists, there is no justification for granting automatically the higher grade, particularly, as in the Central P.W.D. the Packers are all in the lower scale of Rs. 35-1-50.

#### Fixing A Scale Of Pay For Store-keepers In The E.M.E Who Were On E.T.E. On Daily Rates From Rs. 3 To Rs. 5

Mr. Ghosh's Recommendations: I find that Store-keepers have not all been automatically fixed in the grade of Store-keeper on the introduction of the revised scales. For example, Store-keepers M.T.L.D. on the pre-prescribed scale of Rs. 45—100 have been brought on to the scale of Rs. 55—130. Therefore, I cannot see any great force in the argument that simply because these men were designated Store-keepers in the past, they must automatically be brought on to the grade of Store-keepers now. E.T.E. Clerks also were on varying rates of pay and even though those drawing between Rs. 3 and Rs. 5 were called Clerical Supervisors, they have been brought on to the Lower Division scale of Rs. 55—130. The men concerned in the E.M.E. Workshops have been protected against any actual loss in pay. I think that sufficiently meets the case. To put them straightaway on to the scale of Rs. 100—185 would either deprive an equivalent number of regular Storemen of promotion or would necessitate the creation of the same number of supernumerary appointments for them. I cannot see adequate justification for either.

Mr. Subramanian's Recommendations: I feel that E.T.E. Store-keepers who were on Rs. 3 to Rs. 5 were really Store-keepers and not Storemen. If that is the case, there should be no question of their having to compete with Storemen of the regular establishment for getting on to the grade of Store-keepers. They should have been brought over to the regular Store-keeper's grade on the scale of Rs. 100—185 by the application of 26-times-the-daily-wages formula. I suggest that this be done. In order to accommodate the claims of Storemen of the regular establishment for promotion to the grade of Store-keeper, it may be

necessary temporarily to increase the number of Store-keepers, but that seems inevitable in view of the liability already incurred by the department by the creation of Store-keepers in E.T.E.

#### Scale Of Pay Applicable To Loaders And Unloaders In The Ordnance Depots

The scale of Rs. 55—125, which is intended for posts requiring Matriculation qualification, is, therefore, not recommended for the Loaders and Unloaders though under the existing orders a section of this category has already been allowed this scale. It is noticed in this connection that for the Leading Hands who are not Matriculates and who may be recruited after February, 1950, a scale of Rs. 45-2-55-3-85 has been sanctioned by the Government. We consider that this scale of pay may be prescribed for all Loaders and Unloaders but those already categorized as Leading Hands in the scale of Rs 55—125 should be left as they are.

#### Allotment Of Grades To Supervisors (Non-Technical) In The Ordnance Depots

There are two grades of Supervisors (non-Technical) viz., Rs. 80-5-120 and Rs. 100-8-140-10-180. We are given to understand that since then orders have been issued in A.H.Q. letter No. 48699/AG/Org.4 (a), dated April 25-26, 1952, that the Grade I posts should be allotted on the basis of the daily rates of pay.

#### Supervisory Establishment (Technical) Pay Of Supervisors In Ordnance Factories

Mr. Ghosh's Recommendations: While arguing for a higher scale of pay for the ex-Apprentice Supervisors, it has been agreed that the scale of pay for promoted workmen can continue to be Rs. 100—185 as on the Railways. It seems that in the Ordnance Factories, by and large, these promoted workmen and the raw ex-Apprentice Supervisors perform more or less the same functions. Therefore, in my view, to increase the pay of the ex-Apprentice Supervisor while retaining the existing scale for the promoted workmen would be hardly justified. While for the ordinary workmen, the scale of Supervisor, Grade 'B', may be the highest which he can ordinarily hope to reach, for the apprentices it is the stepping stone to higher grades. I see nothing wrong, therefore, in apprentices getting the same scale of pay as promoted workmen for a period of time.

As the Director-General has explained, the Ordnance Factory apprentices are in no way worse off compared to the apprentices in the Railways, so far as their prospects, etc., are concerned. Therefore, neither on equity nor on technical grounds can I see any justification for altering the existing scales of pay.

Mr. Subramanian's Recommendations: As there are already two grades of Chargemen on Rs. 260—350 and Rs. 200—300 in factories, there is scope only for one more category of the Supervisory Staff corresponding to the grade of Chargemen C on the Railways on Rs. 150-225. I suggest that if the Department wishes to retain the designation of Supervisor, there should be only one category of Supervisor on the scale of Rs. 150—225. There will have to be a lower grade of Rs. 100—185 but that, as on the Railways, should be confined to:

(a) Mistries promoted in a suitable proportion from skilled workmen who are not technically and educationally qualified for promotion as Supervisors on Rs. 150—225; and

(b) Journeymen appointed from qualified apprentices who have successfully completed their period of apprenticeship, if it considered that such apprentices are not fit straightaway to be appointed as full-fledged Supervisors.

#### Scale Of Pay Of Supervisors (Technical) Of The Inspectorate-General Stores And In Other Technical Development Establishments

We are informed that the pre-prescribed scale of the Examiners in the Indian Stores Department was Rs. 150-10-300-EB-20-400 (though the scale of Rs. 150-10-240 was applicable only for posts created during the War), and the prescribed scale is, therefore, definitely lower rather than higher, as argued by the Federation. We are also informed that the duties of Examiners in the Stores Department and the Supervisors in the T.D.E. are not strictly comparable. The scales prescribed for Supervisors under D.G.O.F., D.M.E. and D.T.D. are the same at present and it would be advisable to increase the pay of the Supervisors in the A.I.G.S., Calcutta, simply on the analogy of the scale applicable to Examiners in the Stores Department, even if this analogy were correct. The scale of Chargemen, the next higher post, is Rs. 200-10-300 and any increase in the Supervisor's scale will call for a similar increase in the Chargemen's scale and the still higher scales. We, therefore, consider that no change is called for in the existing pay structure.

The other claim made by the Uttar and Madhya Pradesh Ordnance Employees Federation, Kanpur, is that a new grade of Supervisors in Grade I (Rs. 260-15-350) should be created in the T.D.E. (Weapons). From the statement of the Organization it is seen that there are already posts of Chargemen above the Supervisors, Grade II, in the scales of Rs. 200-10-300 and Rs. 260-10-350. There is, therefore, no need to create another category of Supervisors in the scale of Rs. 260-15-350.

**Scale Of Pay Of Civilian Workshop Supervisors In The E.M.E. Workshops And Creation Of Higher Grades Such As Foremen And Assistant Foremen**

It has been represented that the posts of Civilian Workshop Supervisors created during the War due to the shortage of B.O.R.s and J.C.O.s carried the scales of pay of Rs. 280-10-500 and 180-7½-240, and as these Workshop Supervisors are still doing the same type of duties, their scales should not have been reduced. It has been suggested, therefore, that higher posts of the pre-prescribed pay range should be created for these men with the designations of Foremen and Assistant Foreman.

**Restriction Of The Scale Of Supervisor, Grade III, viz., Rs. 100—185 To Mistries And Promoted Tradesmen In The Establishments Under The M.G.O. (D.T.D., D.O.S., D.M.E.)**

Mr. Ghosh's Recommendations: Supervisors, Grade II, in the Ordnance Depots and E.M.G. Workshops and Supervisors, Grade II—I can see no justification whatsoever for abolishing this scale or for raising it further.

**Technical Development Establishments—I see no case for altering the existing pay structure.**

Mr. Subramanian's Recommendations: I suggest that the category of Supervisor, Grade III, on Rs. 100—185 should be abolished. Mistries who are not qualified for promotion to Grade II may be allowed to continue on the scale of Rs. 100—185, but there need not be any further recruitment to that category as I am suggesting that that scale might be prescribed as one of the scales for Leading Hands (Technical). As the category of Leading Hands is an intermediate stage between Tradesmen and Supervisors, there should be no objection to competent Tradesmen, who may not have the requisite technical and educational qualification for becoming Supervisors, being put in the category of Leading Hands. In other words, the higher grade of Leading Hands (Technical) should in Directorates other than that of factories take the place of Mistries in factories.

**Promotion Of Supervisors Grade 'C' To Supervisors Grade 'B' In Ordnance Factories And Technical Development Establishments**

We recommend that the promotion of Grade 'C' Supervisors who were promoted with effect from April 1, 1948, in the Ordnance Factories or from October 1, 1948, in the Inspectorates should be effective from January 1, 1947.

**Downgradation Of Motor Transport Supervisors Of The Ordnance Depots As Non-Technical Supervisors**

In some of the Ordnance Depots, Motor Transport

Supervisors were appointed during War time in the scale of Rs. 180-7½-240. They were thereafter reverted as Supervisors on daily rates of Rs. 5 and on the introduction of the revised scales were classified as Non-Technical Supervisors in the scale of Rs. 80—120 or Rs. 100—180 according to the availability of posts. The contention of the Federation is that these Supervisors are technical persons and should be classified as Technical Supervisors in the scale of Rs. 100—185 or 150—225. We suggest that efforts may be made to absorb, if possible, such personnel as Technical Supervisors subject to their passing the necessary qualifying test.

**Graduate Chemists In Factories Employed As Supervisors, Grades 'A' And 'B'**

Mr. Ghosh's Recommendations: I do not recommend any change in the existing pay scales.

Mr. Subramanian's Recommendations: In another section I have recommended that there should be only one grade of Supervisor in Ordnance Factories on Rs. 150—225. I would repeat that recommendation in the present case also and suggest that the first regular appointment of a graduate chemist fully trained in his work should be on the scale of Rs. 150—225. This would not, however, debar payment to recruits during the first year or two of their probation on the lower scale of Rs. 100—185 as in the case of Journeymen in the regular establishment.

**Abolition Of The Scale Of Rs. 100-5-120-8-200 Applicable To Junior Scientific Assistants Grade II In The T.D.E.s.**

We do not regard that there is any anomaly in retaining the scale of Rs. 100—200 for Junior Scientific Assistants, Grade II, who in the past used to be called Laboratory Assistants. The scale of Rs. 100—200 for raw science graduates cannot be considered inadequate when the normal pay of Graduate Clerks is Rs. 80—220.

**Improvement Of The Pay Scales Of Laboratory Attendants In The T.D.E.s**

The scale of Laboratory Attendants is Rs. 35-1-40-2-60. The Uttar and Madhya Pradesh Ordnance Employees Federation argued that Laboratory Attendants after experience acquired skill and were capable of assisting the Scientific Assistants in their less important tasks and, therefore, their scale should be improved.

We do not consider that there is any anomaly in the existing orders since the Laboratory Attendants in other Laboratories are also in the same pay range and in some cases they are on even lower scales, e.g., Rs. 35-1-50.

### Pay Of Leading Hands (Technical)

**Mr. Ghosh's Recommendations:** I cannot see any justification for either raising the scale of the Leading Hands or for creating a new grade of Leading Hands higher than the scale laid down for the Group 'A' tradesmen.

I would suggest, however, a slight modification of the existing scale of Leading Hands. The present scale is identical with the Lower Division Clerks' scale except that the maximum is less by Rs. 5 only. I see no point in having this slight difference. I suggest that the scale of pay for Leading Hands (Technical) and Matriculate Leading Hands (non-Technical) be revised to Rs. 55—130, the scale which applies to Lower Division Clerks.

**Mr. Subramanian's Recommendations:** I suggest that a scale of Rs. 100—185 may be prescribed for Leading Hands (Technical) in addition to the present scale of Rs. 55—125. As usual, these could be marked as Grades I and II. This will be in accord with the view I have held elsewhere that the lowest scale of a full-fledged Technical Supervisor should be Rs. 150—225 and that the lower grade of Rs. 100—185 should apply only to Journeymen, Mistries and—now I add—one engaged in an intermediate stage of supervision. I also feel that it should be recognized that Tradesmen belonging to Group A who are technically and educationally qualified should be eligible for promotion to the category of Supervisor, Grade II, on Rs. 150—225.

### Creation Of A Category Of Inspectors In The E.M.E.

**Mr. Ghosh's Recommendations:** I cannot see any justification for creating a new category of Tradesmen with the designation of Inspectors simply in order to give them a higher scale of pay.

**Mr. Subramanian's Recommendations:** That there is need for a category of Inspectors now appears clear from the fact that D.M.E. is thinking of constituting a Central Inspectorate. The new scheme may take time. Meanwhile I feel that those who are actually doing the work of inspection must be paid suitably. I should say that an Inspector drawn from Group B (Rs. 60—105) should, like Mistries and the higher grade of Leading Hands, be placed on the scale of Rs. 100—185. Those drawn from lower groups (Rs. 50—75 and below) might be placed appropriately on the present scale for Leading Hands, viz., Rs. 55—125. As my recommendation elsewhere is that full-fledged Supervisors (Technical) should have a minimum scale of Rs. 150—225, the recommendations made above will maintain the necessary differential between Inspectors and Supervisors.

### Special Pay For Superintendents B/R & E/M When In Charge Of A Station

At present Superintendents B/R and Superintendents E/M Grade I in the scale of Rs. 250—400 get a special pay of Rs. 50 when they are in charge of Sub-divisions. The M.E.S. Unions suggested that there should be a Charge Allowance for Superintendents, Grade II, when they are in charge of stations.

This is a demand for increase of pay of Superintendents, Grade II, in certain conditions. There is no anomaly in this case which brings it within the Terms of Reference of the Committee. The Engineer-in-Chief has stated that the Superintendents, Grade II, are comparable to Overseers of the Central P.W.D. who are on the same scale of Rs. 100—300. The latter are not entitled to any special pay unless they are placed in charge of sub-divisions. The Overseers are also employed in various capacities just as Superintendents, Grade II, are. The Engineer-in-Chief does not consider that the duties and responsibilities of Superintendent, Grade II, in charge of a station justify the grant of a special pay. We do not find any reason to differ from this view.

### Draughtsmen And Tracers

#### Seales Of Pay Of Draughtsmen, Estimators, Rate-Fixers And Planners In The Ordnance Factories

We recommend that it would be appropriate to lay down for Senior Draughtsmen, Jigs and Tools, a higher scale of Rs. 200-10-300.

### Draughtsmen In The Technical Development Establishments

The Labour Federations have asked for two intermediary scales for Draughtsmen—Rs. 200-10-300 and Rs. 260-15-350—in between existing Grades I and II, namely, Rs. 300-20-500 and Rs. 150-7-185-8-225 for the Technical Development Establishment. The scales of pay of Draughtsmen vary rather widely in different departments as the qualities of Draughtsmen required also vary. The mere fact that a scale exists in one department does not indicate that a similar scale is necessarily required in another department. However, it has been brought to our notice that the Government have recently issued orders creating another grade of Draughtsmen in the scale of Rs. 260-15-350. We consider that the case has been adequately met.

### Pay Of Draughtsmen In The M.E.S.

The M.E.S. Unions suggested that there should be a selection grade of Draughtsmen in the scale of Rs. 260-15-350 as in the Central P.W.D. and that further a new category of Architectural Draughtsmen on the scale of Rs. 150-10-300 should be sanctioned since there was

such a category on this scale of pay in the past. The Engineer-in-Chief has stated that the Architectural Draughtsmen are doing the same type of work as other Draughtsmen in Grade I and, therefore, he does not see any reason for creating a new category with this designation. He has, however, stated that there should be a Selection Grade of Rs. 260-15-350 as in the Central P.W.D. We recommend the introduction of this Selection Grade.

#### Scale Of Pay Of Tracers

We consider that the scale of Rs. 55-3-85 is low for the Tracers and they should be at least allowed the minimum scale applicable to Matriculates, viz., Rs. 55—130. As, however, the scale of Rs. 60—150 has already been sanctioned for this category in most departments, we recommend that this scale may be admitted to all the Tracers in the Defence Establishments. We understand that a minimum qualification of Matriculation has been prescribed for recruitment to this post in the T.D.E.s., the M.E.S., the Railways, and the C.P.W.D. This qualification may also be insisted upon for future recruits in offices where such a minimum qualification has not been prescribed.

#### Viewers

#### Scale Of Pay Of Viewers In The Technical Development Establishments

Mr. Ghosh's Recommendations: The Director of Technical Development seems to be of the view that the solution to all the difficulties is to give him discretion to fix the establishments, i.e., the number of higher grade Viewers required in each establishment from time to time. He is, however, prepared to ensure that taking all the Viewers throughout India together the percentages of Viewers in the higher grades do not exceed the percentages indicated below:

Grade 'A'...10

Grade 'B'...30

Grade 'C'...30

Grade 'D'...30

It does not appear that the present proportion laid down for the calculation of the number of appointments of Viewers in the various grades was based on any scientific assessment of requirements. It seems to have been an ad hoc decision. It looks as if it is too rigid for an organization of this nature and in any case there is no doubt that the adoption of the same proportions in every establishment is not correct. The question is whether the proportions should be laid down at all or the appointments should be sanctioned by number for each establishment. The latter would certainly be the most satisfactory method. If, however, that is found to be administratively too inconvenient,

then of course the only alternative is to have a system as recommended by the Director of Technical Development, which is that he should be given powers to fix the number of Viewers in the higher grades in each establishment subject to an overall limit for the whole of India.

Mr. Subramanian's Recommendations: Percentages can be worked out on an all-India basis only if the cadre is also an all-India one. In other words, if workers are liable to be transferred from place to place, a set of percentages on an all-India basis will not cause hardship as those entitled to promotion will get it wherever they might be stationed. But if the staff is not to be made transferable and the actual numbers are fixed for each establishment, then over-all percentages have little significance as far as the employees are concerned.

In principle, I would not object to the requirements of each establishment being fixed separately. In so doing, however, the authorities concerned should not overlook the fact that reasonable prospects of promotion are necessary in each establishment if the staff is not to be made transferable. I do not consider that it is a practical proposition to devise all-India cadres and to insist on transfer from one establishment to another. That being so, the distribution between the four grades in some establishments may have to be somewhat different from what strict requirements may dictate so that workers of the lower grades may have reasonable prospects of promotion. I also feel that if the fixation of numbers establishmentwise based on requirements leads to demotion of workers already placed on higher scales, there will be serious discontent and that such a course should be avoided. If the system of fixing grades establishmentwise cannot be worked out at least to the satisfaction of the existing workers, the only alternative is to stick to the percentages already prescribed even though that might not be wholly satisfactory.

#### The Case Of Viewers In Certain T.D.E.s Who Were On Daily Rates Of Pay And Were Moved On To Monthly Scales In 1942

The Federations suggest that in the case of the Viewers, who were brought on to the monthly scales on the basis of 24 times their daily rates in 1942, their monthly rate of pay on the date of election of the prescribed scales should first be converted into a daily rate at one-twentyfourth of the monthly rate, thereafter the pay in the prescribed scale should be fixed on the basis of 26 times of such daily rate. We understand that such a procedure was adopted in an identical case of the workmen of the Cordite Factory, Arvankadu. It is, therefore, recommended that the same procedure may be adopted in the case of the Viewers referred to.

## Other Non-Industrial Categories

### Scales Of Pay Of Teachers In The Schools Attached To Ordnance Factories

1. Headmasters and Headmistresses, High Schools: (i) Rs. 200-10-300; (ii) 300-20-400; (iii) 400-20-500.

2. Headmasters and Headmistresses, Vernacular and Anglo-Vernacular Schools: (i) Rs. 100-8-140-10-200 (up to six classes); (ii) 140-10-200-E.B.-10-300 (for more than six classes).

3. Headmasters and Headmistresses of Primary Schools: (i) Grade Pay+S.P. Rs. 10 for schools with one or two class sections; (ii) Grade Pay+S.P. Rs. 20 for schools with three, four or five class sections; (iii) 100-5-125-6-155-E.B.-6-185 for schools with more than five sections.

4. Graduates in High Schools: Rs. 80-5-120-E.B.-8-200-10/2-220 (with a Selection Grade of Rs. 150-15-300) or 80-5-120-8-200-10-300, with an initial start at Rs. 120 per month for B.T.s and L.T.s.

5. Graduate Teachers in other schools (Middle School Standard): Rs. 80-5-120-E.B.-8-200-10/2-220.

6. Trained Teachers in Primary Schools: Rs. 50-2-60-3-90 for (non-Matriculates); 68-4-120-5-170 (for Matriculates).

7. Untrained Teachers in Primary School: Rs. 35-1-40-2-60.

8. Inter (Honours in Oriental Classical Languages): Rs. 80-5-120-E.B.-8-200-10-220.

9. Inter (Honours in Vernacular Languages): Rs. 68-4-120-5-170.

10. Oriental Teachers (Shastris, etc.) non-Matriculates, but teaching in High and Middle Classes: Rs. 68-4-120-5-170.

11. Junior Oriental Teachers (Vernacular non-Matric Teachers): Rs. 50-2-60-3-90.

12. Junior Vernacular Teachers: (a) Matriculates: Rs. 60-4-120-5-170; (b) Non-Matriculates: 50-2-60-3-90.

We recommend that the scales for the Teachers in the Ordnance Factories should be prescribed on the basis of the above standards.

### Civilian Medical Officers

We consider that it would be reasonable to grant a Non-Practising Allowance at the rates usually applicable to Medical Officers in other Ministries, where private practice is in fact not possible. In such places it would be in order to prohibit practice and to grant the allowance.

### Scales Of Pay Of Compounders

We do not recommend any further increase.

### Scales Of Pay Of Nurses In The Hospitals Of The Ordnance Factories

The hospitals of Ordnance Factories are comparable, from the point of view of bed strength, with Railway hospitals. We suggest, therefore, that a higher grade of fully qualified Nurse be sanctioned on a scale of pay of Rs. 150—225 and that the scale of pay of the 'Matron and Sister-in-Charge' category be raised from Rs. 150—225 to Rs. 200—300. These are the scales recommended by the Pay Commission.

### Scale Of Pay Of Ayahs

The Ayahs are in the scale of Rs. 30-1-35. The Labour Federations have suggested that this scale should be upgraded to Rs. 35-1-50. The scale applicable to Ayahs generally in other departments is Rs. 30-1-35. We, therefore, do not consider any improvement in the existing scale of pay called for.

### Pay Of Dhobis/Washermen

The scale sanctioned for Dhobis/Washermen is not uniform in the different establishments. In some they are on the same grade as other unskilled labour, i.e., Rs. 30—35 while in others the semi-skilled scale of Rs. 35—50 has been sanctioned. Dhobis/Washermen ought to be at least treated as semi-skilled workers. We, therefore, recommend that the scale of Rs. 35—50, may be adopted uniformly in all the establishments.

### Giving Effect To The Revised Scale Of Pay In The Case Of Sweepers Paid From Contingencies From January 1, 1947

The claim of the Labour Federations is that the Sweepers of the Ordnance Factories should be allowed arrears from January 1, 1947, the date from which the revised scales had effect in the case of employees not paid from contingencies. As all the Sweepers paid from contingencies in other Defence Establishments and in establishments under other Ministries of the Government of India have been allowed this scale only with effect from June 1, 1949, we are unable to recommend treating the Sweepers of the Ordnance Factories still more favourably by allowing the arrears from January 1, 1947.

### Scale Of Pay Of Motor Drivers

We feel that there is no need to change the existing scale of pay applicable to Motor Drivers.

### Scale Of Pay Of Armoured Fighting Vehicle Drivers

We recommend that the scale applicable to Tractor Drivers in the Military Farms may be made applicable to Drivers of Armoured Fighting Vehicles.

### Recategorization Of Fire Patrolmen

It has been brought to our notice that orders have



been issued by the Ministry of Defence reclassifying the Fire Patrolmen as Supervisors (Non-technical).

#### **Scales Of Pay Of Leaders Of Fire-Brigade Staff And Firemen In Ordnance Factories**

In view of the fact that Leading Hands (Fire) generally start on Rs. 50 or Rs. 55 and go up to Rs. 75, 85, or even 125, we suggest a scale of Rs. 55-3-85 for Leading Hands (Fire) in Ordnance Factories as also in the M.E.S.

In the case of Firemen the scale of Rs. 35-1-50 seems to be reasonable for beginners, but a higher grade may be created on the scale of Rs. 40-1-50-260 as in Ordnance Depots, in establishments under the Naval Headquarters, and in the Delhi State Fire Service.

#### **Scale Of Pay Of Photographers**

The D.T.D. has recommended two grades, namely, Rs. 160-10-330 Grade I and Rs. 80-5-120-EB-8-160 Grade II, taking into consideration the different degrees of responsibilities and skill required. We recommend this suggestion for the consideration of the Government.

#### **Scales Of Pay Of Telephone Operators**

In the case of the clerical grade, it may be said that a Matriculate is likely to give better service than a non-Matriculate, but in the case of a Telephone Operator, there is no reason why a non-Matriculate may not prove as efficient as a result of practice and experience as a Matriculate because the work is essentially of a manual nature. Since the value of the post is recognized as Rs. 60—170, there is little justification for denying the full scale to those who are retained on the ground of their usefulness. This does not, however, necessarily mean that the Government would not be justified in insisting on Matriculation qualification for future recruitment.

#### **Scale Of Pay Of Gatekeepers In Ordnance Factories**

We feel that a comparison of the duties and responsibilities of the Inspectors in the Railways with those of Gatekeepers in the Ordnance Factories is not appropriate and do not consider that any anomaly exists in the present orders.

#### **Scales Of Pay Of Subedar Durwans And Jamadar Durwans In The Ordnance Factories**

The scales prescribed for the categories mentioned are Rs. 35-1-50 and Rs. 40-1-50-2-60, respectively. The Labour Federations have suggested that these categories should be in the scale of Rs. 40-2-90. We do not see any justification for the suggestion.

#### **Industrial Establishment**

#### **Pay Of Engravers In The Technical Development Establishments**

It is understood that in the Ordnance Factories Machine Engravers may be on 'C' and 'D' Grades only while Hand Engravers may be on any of the four grades. It is obvious that if any alteration is to be made on the basis of the scales obtaining in the Factories, it would be appropriate to introduce lower scales as it would be appropriate to introduce scales which are higher. However, if the existing pay structure in the Technical Development Establishments is not to be altered, we can see the justification for prescribing the Group 'B' scale, viz., Rs. 60—105, for Hand Engravers doing fine work. Whether all Hand Engravers are in fact doing fine work or whether some of them are doing only rough work, such as would merit no more than the existing scale, are, of course, questions of fact which should be settled by the Director. Those who are in fact employed on high grade work and pass the necessary trade test should be promoted to this category.

#### **Pay Of Lappers In The Technical Development Establishment**

Mr. Ghosh's Recommendations: If the existing system is to continue in the T.D.E., I consider that the category of Lapper (Precision) may be raised from Grade 'D' to Grade 'C', i.e., its scale may be Rs. 50-2-60-3/2-75. I can not see any *prima facie* justification for jumping one group and raising it from Group 'D' to Group 'B' straightaway. So far as Lappers (Ordinary) are concerned, the existing scale, the maximum of which is higher than the minimum of the lowest grade of Lappers in the Ordnance Factories, seems adequate.

Mr. Subramanian's Recommendations: The scale prescribed for D.T.D. and other establishments starting from Rs. 60 is Rs. 60-5/2-75-EB-3-105. I suggest that this scale should be prescribed for Lappers (Precision). As for Lappers (Ordinary) I feel that the existing scale of Rs. 35-1-50-2-60 is adequate as it is not very different from the scale suggested by D.T.D.

#### **Scale Of Pay Of Shooters (in T.D.E.s)**

The D.T.D. is also of the view that the existing scale of pay of shooters is inadequate and has recommended two grades of Pay for Shooters in the scale of Rs. 50-2-60-EB-3/2-75 and Rs. 40-2-60-EB-3/2-75. In view of the fact that Grade I as proposed is the same as Grade II except that Grade I starts higher up, the Committee considers that there is no advantage in creating a higher grade. If Shooters

of some experience and skill are required, it would necessarily mean that they must have undergone about five years of service at least in Grade II after which period they would, in any case, be drawing Rs. 50. Considering the duties of the Shooters, we feel that an improvement in their scale is called for and recommend that the scale of Shooters be revised to Rs. 40-2-60-EB-3/2-75.

#### Scale Of Pay For Proof Filers

The D.T.D. is of the view that the present scale is inadequate and has recommended an improvement in the existing scale but has suggested that there may be two grades of Proof Filers, the first grade in the scale of Rs. 40-2-60-EB-3/2-75 and the second grade in the scale of Rs. 35-1-50-EB-2-60.

We recommend that the proposal of the D.T.D. may be accepted. But here again adequate trade test justifying the higher scale should be laid down.

#### Scales Of Pay Of Book-Binders, Compositors And Printers Of The C.A.F.V. Depot, Kirkee Press

**Book-Binders:** We recommend that the scale may be improved to Rs. 35-1-50-2-60 applicable to Group 'E' Tradesmen under the D.O.S.

**Printers:** Taking into consideration that the Ordnance Depot Press is not as large as a Central Government Press, we regard that the existing scale of pay is adequate.

**Compositors:** We consider that the existing scale for Compositors in the Ordnance Depot Press compares fairly with the scale for Compositors in the lower grade at the Central Government Presses and no further improvement is necessary.

#### Re-classification Of Fitters As Fitter Mates In Technical Development Establishments

We agree that it would be not correct to admit the scale of Rs. 60—105, which is intended for full-fledged Fitters, to the lower category of Fitters in the old set-up who were in fact nothing but Fitter Mates although not designated as such. We however recommend that all such Fitters who have been reclassified as Fitter Mates should be allowed a chance to appear for a trade test to prove their fitness to be classified as Fitters.

#### Scale Of Pay For Fitter Mates In The T.D.E.s

We regard that the scale for Fitter Mates should be Rs. 35-1-50 applicable to the semi-skilled trade and other tradesmen's mates.

#### Higher Starting Pay For Instrument Mechanics And Tele-Communication Mechanics In The Scale Of Rs. 90-185 After Passing A Trade Test

The Uttar and Madhya Pradesh Ordnance Employers Federation drew attention to a Government order

according to which recruitment to the posts of tradesmen could be made at the stage above the efficiency bar if tradesmen with higher skill and experience were required. They had to pass a special trade test. The existing men also were permitted to take their chance along with direct recruits and could be promoted above the efficiency bar on passing the trade test. The complaint is that in the T.D.E.s Instrument Mechanics and Tele-Communication Mechanics are started only on the minimum of the scale of Rs. 90—185 without being given an opportunity to pass a special trade test.

Since Government orders, referred to by the Federation, were issued mainly to enable the Heads of Establishments to recruit persons with previous experience and higher skill who were not prepared to start on the minimum of the time scale, we consider that where men are available on the minimum or where more experienced men are not actually required, there could be no justification for invoking these orders and promoting men to higher stages in the time scale. We do not feel that there has been any anomaly.

#### Reclassification Of Turners And Grinders In Gauge Rooms In The T.D.E.s Who Are Employed As Tool-Makers

We agree that specialization in individual trades does not necessarily qualify tradesmen to become Tool-Makers. Where, however, a full-fledged Tool-Maker is required and the tradesman possesses the necessary qualifications, he should be appointed as a Tool-Maker.

#### Pay Of Tradesmen In The M.E.S.

Since the nature of the work is essentially the same in the two organizations, it seems *prima facie* likely that if there is need for different degrees of skill in the Central P.W.D., there should be a similar need in the M.E.S. though there may be some variation in the actual degree of skill required or the proportion of men required with different degrees of skill. The correct course would be to re-examine the requirements of the M.E.S. and to compare them with the requirements of the Central P.W.D. for tradesmen of varying degrees of skill and then to lay down for the M.E.S. comparable short-time scales for different degrees of skill within one trade, wherever necessary.

#### Pay Of Semi-Skilled Categories In The M.E.S.

The M.E.S. Unions suggested that certain categories which are now classed as semi-skilled and for whom the scales of Rs. 35-1-50 or Rs. 35-1-50-2-60 have been sanctioned should be categorized as skilled and given the scale of Rs. 40-2-60-3/2-75.

It is for the technical experts to compare the skill required in these grades with the skill required of the tradesmen who have been given the minimum scale of

Rs. 40—75. There would be a case for an equalization of the pay scales if the degrees of skill and other qualifications required are similar. Of the abovementioned categories the Meter Reader and Storeman probably require to be considered separately. The scale of pay for a Meter Reader in the Central P.W.D. appears to be Rs. 35-1-50 while it is understood that recently the scale of the Meter Reader in the M.E.S. has been raised to the scale of Rs. 50-2-60-3/2-75-3-105. It is not quite clear whether this disparity in the scale of pay is justified. The matter should be examined with reference to the qualifications required. The category of Storeman does not exist in the Central P.W.D. The Engineer-in-Chief has stated that this category is mostly employed in Engineer Store Depots. The existing scale of Rs. 35-1-50 seems to be too low for this category and the Engineer-in-Chief himself has recommended the scale of Rs. 40-1-50-2-60. The proposal of the Engineer-in-Chief is supported.

#### Pay Of Tradesmen In The M.E.S.

Mr. Subramanian's Recommendations: While agreeing with the view mentioned in the note above, I would suggest that an attempt should be made to evolve a uniform wage structure in all establishments under the Defence Ministry. I have recommended in a separate note dealing with Ordnance Factories that all jobs should first be divided into the categories of Highly-skilled, Skilled, Semi-skilled and Unskilled and then, if necessary, be divided further into grades within each category. I have also suggested the pay-scales which I consider suitable for each category and grade. If those recommendations are accepted, I suggest that an effort be made to introduce the same structure in the M.E.S.

#### Pay Of Tradesmen In The Naval Dockyard

As explained previously in connection with Industrial workers in the M.G.O.'s establishments and in the M.E.S., the Committee is of the opinion that the basis of the Pay Commission's recommendations in regard to industrial workers generally is that there are varying degrees of skill even within one trade. They accordingly recommended short time scales for varying degrees of skill. It appears that in so far as the Naval Dockyard is concerned, a compromise arrangement has been made. To a limited extent varying degrees of skill have been recognized by creating two grades in the same trade in a number of cases. The scales of pay, though modelled somewhat on the scales sanctioned for the M.G.O. establishments, have generally higher maxima. If the scales were framed in accordance with the Pay Commission's recommendations, they would have been, generally speaking, lower,

and it cannot, therefore, be held that the Pay Commission's recommendations justify further improvements in the existing scales.

There is no justification in the proposals that the system of trade tests should be abolished or that promotion should have no relation to vacancies. Recruitment and promotion in the case of tradesmen must be based on trade tests. As a man's pay should be related to the job on which he is employed, it is obvious also that promotion should be against vacancies.

#### Pay Of Workmen In Naval Armament Depot, Waltham

It is true that in the case of the workers of the Naval Armament Depot the Pay Commission's recommendations have not been strictly followed but the departure has been to the advantage of the workers rather than to their disadvantage. In the circumstances, it is considered that no case has been made out for a further improvement in the pay scales.

1. Pay Of Tradesmen In The Naval Dockyard, Bombay
2. Pay Of Workmen In The Naval Armament Depot, Waltham

Mr. Subramanian's Recommendations: I suggest that the wage structure obtaining in these establishments be brought in line with the wage structure obtaining in Ordnance Factories. In the case of the latter, I have recommended that all trades should, in the first instance, be divided into the major categories of Highly-skilled, Skilled, Semi-skilled and Unskilled and, if need be, into further grades within each category. I have also suggested the pay scales which I consider appropriate. I feel that an attempt should be made to evolve a uniform wage structure for all establishments under the Defence Ministry.

#### Wage Structure Of Tradesmen Under The D.O.S., D.M.E., D.T.D. And E-in-C.

Mr. Ghosh's Recommendations: If the Technical Directors, after a joint discussion, find that there requirements can be met, consistent with the interest of the workers, within the present framework, but with relatively minor variations, there is no reason why the entire pay structure should be upset and recast on the lines recommended by the Pay Commission. As I see it, the strict application of the Pay Commission's recommendations or the adoption of the pattern followed in the Ordnance Factories may not be in the general interest of the workers in the M.G.O. establishments, etc.

Mr. Subramanian's Recommendations: In my report on pay scales in Ordnance Factories, I have recommended a scheme based on the division of trades, first into the Highly-skilled, Skilled, Semi-skilled, and

Unskilled Categories and then, if necessary, into grades within each category depending on the degree of skill required. I would suggest the adoption of the same system in these establishments also and the application of the same scales. There will, no doubt, be some differences, depending on the degree of skill required, regarding the particular grades of a trade that may be found necessary or suitable, but subject to such variations, I feel, that the basic system and structure should be the same for all establishments under the Defence Ministry.

#### **Pay Of Labourers Engaged In Lifting Heavy Loads**

**Mr. Ghosh's Recommendations:** I consider that if the present anomaly is to be removed, it should be removed by abolishing the higher scale for the labourers employed on lifting heavy loads in the Ordnance Factories and not by extending the higher scale to all other Defence installations.

**Mr. Subramanian's Recommendations:** I suggest that the anomaly be removed by extending the scale of Rs. 32- $\frac{1}{2}$ -35-1-40 to all Defence installations and prescribing it in sections or departments where heavy loads have habitually to be lifted.

A slightly higher scale for persons who have constantly to handle particularly heavy loads is, in my opinion, fully justified. Whether the lifting of heavy loads occurs as a regular feature of work in a particular section or department is, of course, a question of fact which has to be decided by men on the spot.

#### **Pay Of Beldars In The M.E.S.**

We do not consider that a case has been made out for the introduction of a higher scale for Beldars. In the C.P.W.D. also they are paid on the same scale of Rs. 30- $\frac{1}{2}$ -35, the scale applicable to Unskilled labourers in general. Besides, the Pay Commission recommended a uniform scale of Rs. 30- $\frac{1}{2}$ -35 for all Unskilled labourers on the living wage principle although previously different types of Unskilled workers might have got different rates of pay.

#### **General Points**

##### **Loss Of Pay On Promotion To A Higher Post**

Since this matter was represented to the Committee, orders have been issued that the fixation of pay in such cases should be regulated in accordance with the following principles:

(i) In cases of officiating promotion in the direct line of appointment—If the pay drawn by a Government servant (whether permanent or temporary) in a post held temporarily or in an officiating capacity exceeds the minimum of the scale of the higher post to which he is promoted, he may be given the next higher

stage in the scale of the higher post subject to the fulfilment of the following conditions:

(a) That the Government servant is qualified to be confirmed in the lower post or cadre and that he has acquired stability of tenure therein by working for more than three years at the time of promotion;

(b) The lower post or cadre continues to exist on a long-term basis; and

(c) The Government servant would have continued to work in the lower post or cadre but for his promotion to the higher post.

(ii) In case of officiating promotions not in the direct line of appointment—No protection will generally be afforded in such cases.

As fixation of pay in accordance with these principles is a relaxation of the existing rules, it has been laid down that Government orders will be necessary in each case. When dealing with a large number of employees as in the Defence establishments, it is inevitable that if each case has to be referred to the Government, there will be considerable delay in the issue of orders. We realize that this matter does not fall within the Terms of Reference, but since it affects a large number of employees in the Defence Organization, in particular, we feel that it might be advisable to bring to the notice of the Government the suggestion that powers to fix the pay in accordance with the principles laid down should be delegated to lower authorities.

#### **Anomaly In The Matter Of Fixation Of Pay Resulting From The Classification Of Posts Into Industrial And Non-Industrial Sections**

It is recommended that the Government may issue suitable instructions stating that in the matter of fixation of pay, the rules applicable to the non-industrial employees should generally apply to the industrial employees also, now that the latter have been brought on to monthly scales of pay.

#### **All-India Service Liability Allowance**

**Mr. Ghosh's Recommendations:** The Commission has made certain observations in different places in its report indicating that the employees should not ordinarily be transferred from one area to another unless absolutely essential and that such transfers should generally be limited to higher-grade officers. The question whether any particular category should be transferred or not from one area to another is for the administration to decide in the light of the requirements. I find no support in the Pay Commission's recommendations, however (except in the case of the Divisional Accounts of the office of the A.G.C.R. and the P.&T. Department) that the pay should be enhanced on the ground of liability to all-India service. However, if any

category is, in fact, transferable anywhere in India in the same manner as the staff in the Defence Accounts and Defence Audit Departments, it is difficult to hold that an allowance is justified in the case of the latter but not in the case of the former. I consider that this anomaly should be rectified as early as possible.

**Mr. Subramanian's Recommendations:** So long as it is considered proper to grant an allowance to the staff in the Defence Accounts and Defence Audit Departments, a similar allowance should, I feel, be given to all other staff in Defence establishments who are subject to the same liability. The question of an allowance would arise only if the liability were imposed. In this connection I would invite attention to the Pay Commission's recommendation, at page 340 of their Report, "that liability to serve in all parts of the country should ordinarily be limited to the higher-grade appointments only". Again at page 24 they have stated that "it has been rightly insisted on that public employees in the lower levels of pay should, as far as possible, not be transferred out of their Provinces". Observance of this principle, if found feasible, would eliminate the bulk of the lower categories from the list liable to all-India service. I suggest that an attempt be made to put this principle into practice.

1. Time-Barred Arrears On Account Of Revised Scales Of Pay Payable To Persons Retrenched During The Year 1947
2. Payment Of Arrears To Those Retrenched And Re-employed On Or Before January 1, 1948

**Mr. Subramanian's Recommendations:** The Civilians in Defence Services (Revision of Pay) Rules, promulgated on December 31, 1947, contain a provision that employees may elect the revised scales of pay with effect from either January 1, 1947, or January 1, 1948. The question arose whether the benefit of the retrospective application of the revised scales from January 1, 1947, should be extended to those who were discharged from service in the course of the year 1947. The Government finally passed orders in their O.M. No. 4083/331/D-11, dated May 4, 1948, allowing payment of arrears of pay and dearness allowance based on the revised scales of pay to those whose services were terminated between January 1, 1947, and January 1, 1948, on account of retirement, death or discharge on termination of sanctioned posts, subject to two conditions, viz.,

(i) That payment of arrears would be permissible only if the person concerned (or in the case of a claim pertaining to a person who has died, his legal heir) applied for it in writing within six months from the date of issue of the orders; and

(ii) That persons who were in service on January 1, 1948, would not be allowed the concession in respect of any broken period of service prior to that date.

The Federations have represented that the orders passed were not publicized, that they were not communicated to the persons who were entitled to claim arrears, and that a number of discharged persons, having gone to distant places and lost touch with their old establishments, were unable, for no fault of theirs, to prefer claims. They, therefore, request that a fresh opportunity should be given to all such persons to put in their claims and that on this occasion no time limit should be fixed. The complaint of the Federations that the orders did not receive adequate publicity and that they were not communicated to the individuals concerned seems to be correct. Some time necessarily elapses between the passing of orders by the Government and the notification of those orders in the individual establishments. The remainder of the six-month period is, in my opinion, not sufficient to enable a discharged employee who has probably left the place and gone far away in search of a job to make a claim unless, of course, he is informed of it through a notice. As this was not done, I feel that discharged workers did not get a reasonable opportunity of preferring claims. I would, therefore, suggest that a fresh opportunity should be given to all such persons to put in claims and that on this occasion adequate publicity might be given to the orders. As the offer cannot be kept open indefinitely, a time limit of one year may be fixed from the date of communication of the orders to the Federations.

The rights of the persons who, by virtue of their seniority, were allowed re-employment before January 1, 1948, should not in any way be less than those of persons who were discharged without any subsequent re-employment; nor should persons appointed before January 1, 1948, be treated less generously than their juniors who were re-appointed after January 1, 1948. In view of these circumstances, I feel that discharged employees who were re-employed before January 1, 1948, should also be allowed the benefit of the concession.

**Mr. Ghosh's Views:** I feel that the question of payment of arrears is outside the Terms of Reference and therefore it is inappropriate for the Committee to express any views on it. Similar cases may have occurred in other Departments also.

#### Pay of Displaced Personnel

**Mr. Subramanian's Recommendations:** The Federations have made two demands, viz.:

(1) That all displaced E.T.E. personnel appointed in Defence Establishments should be given the right

of election of the prescribed scales from January 1, 1947; and

(2) That increments should be allowed on being brought over to the revised scales to all displaced personnel whether they joined establishments in India before or after January 1, 1948.

The request for being allowed the right of election of the prescribed scales from January 1, 1947, cannot be supported.

Displaced persons who managed to secure employment in India before January 1, 1948, being in position on the relevant date, were allowed the right of election of the revised scales from January 1, 1948, or the actual date of employment in India. The consequence of this was that they got at least the benefit of Clause (c) of Rule 8 (1) of the Revision of Pay Rules and were placed on the prescribed scale at the stage next above their present pay. Thus invariably they got at least one increment by the operation of this rule. No such benefit accrued to persons who joined the establishments in India after January 1, 1948, as, in their case, the question of electing the revised scales of pay from January 1, 1948, did not arise. They were brought on to the new scales under the normal rules, i.e., without the benefit of the next higher stage. The request is that persons who, through the exigencies of the times, happened to secure employment after January 1, 1948, should not be placed in a worse position than their colleagues who, through good fortune, happened to secure employment before that date.

I feel that though this is strictly not a case of anomaly in the implementation of the pay scales, the circumstances are such as would warrant redress. In 1947 the times were exceptional; many persons were unable to get out of Pakistan in time and those who managed to come away to India did not know where to go or what to do. In view of all these circumstances, it is through no merit or fault of displaced personnel that some secured employment before January 1, 1948, and others after that date. It would be a slight mitigation of the hardship caused to such persons if all were treated alike and those who joined after January 1, 1948, given the benefit which would have accrued to them had they joined before that date.

**Mr. Ghosh's Views:** Whether, in view of the circumstances obtaining at the time of partition and thereafter, displaced persons, who were either late in coming out of Pakistan or even if they came to India before January 1, 1948, were actually absorbed after that date, should be treated in the same manner as those who were luckier and came to India and were absorbed earlier is a general question of policy which

it is not for this Committee to consider. The representation should be examined by the Ministry of Defence.

#### **Continuity of Service On Transfer From E.T.E. To Regular Establishment**

It has been represented that in the past persons have been transferred from E.T.E. to temporary establishment, and vice versa and that in such cases the service should be regarded as continuous. We are informed that Government orders have been issued recognizing continuity of service in such cases for the purpose of fixation of pay.

#### **Classification Of Employees As Industrial And Non-Industrial**

**Mr. Ghosh's Recommendations:** Of the categories now classified as Industrial the Federations want that Switch-board Attendants, Laboratory Attendants and Viewers should be classified as Non-industrial.

I do not think that Switch-board Attendants should be classified as Non-industrial. They are tradesmen and classified as Industrial everywhere. As regards Laboratory Attendants they should, if possible, be treated alike in the Inspectorates and Factories. I suggest that the D.T.D. and D.G.O.F. should jointly examine this matter.

The problem of Viewers is a special one. Although this category exists both in the Inspectorates under the D.T.D. and also in the Factories, the matter was not evidently considered jointly by the two Directors with the result that an anomaly was created by T.D.E. Viewers being declared as Non-industrial, while Viewers in Factories continued to be treated as Industrial. If the matter is considered objectively with reference to the nature of work of Viewers, one must classify all of them as Industrial.

**Mr. Subramanian's Recommendations:** I agree with the suggestion to classify Laboratory Attendants as 'Non-industrial' and Switch-board Attendants as 'Industrial'.

The present attempt to transfer the bulk of 'A' Grade Viewers into examiners is liable to be misconstrued by the lower-grade Viewers.

Above all there must be consistency in classification. The top men cannot be classified as Non-industrial while the rest are classified as Industrial. Similarly, the same category should not be classified as Industrial in one establishment and as Non-industrial in another. So long as these are observed, I would leave the classification to be done jointly by the Directors of the two establishments, namely, Factories and Technical Development.

## Fixation Of Pay In The Prescribed Scales Based On Pay In Lower Grades To Which Personnel Were Reverted Subsequent To January 1, 1947

We do not regard that the pays of the persons have been incorrectly fixed.

## Method Of Converting The Daily Rate Of Pay Into Monthly Rate Of Pay For The Purpose Of Fixing The Starting Pay In The Revised Scales

The grievance of the Federation is that though they were paid on daily rates of pay they were also often called upon to work on holidays and receive pay and, therefore, their monthly pay should have been calculated at 30 times their daily rate instead of 26 times as has been done.

We do not appreciate the argument since even now if the employees are called upon to work on Sundays and holidays then get overtime pay or compensatory holiday in lieu and, therefore, the pay the daily-rated persons got for holidays should not be taken into consideration. We understand that the principle adopted in determining the monthly pay of daily-rated workers in other Ministries is also similar to that followed in the case of personnel of Defence Establishments, and, therefore, no anomaly has been established.

## Conveyance Allowance—Term of Reference III

Mr. Ghosh's Recommendations: In my view, the demand for the general grant of a conveyance allowance to all Defence employees is not reasonable.

Only where men have to travel long distances by train or other public conveyance and the fare is considerably more could there be a case for assistance.

Mr. Subramanian's Recommendations: I find myself unable to agree with the view that the uniqueness of the case of the Defence installations alone will qualify for a conveyance allowance.

In my opinion there are the following special circumstances which would necessitate payment of a conveyance allowance to the employees of a large number of Defence Establishments, viz.:

(i) That many Defence installations are situated at considerable distances from large towns or other large centres of residence;

(ii) That even where installations are situated in or near towns the concentration of thousands of workers at one place creates problems which force workers to go far in search of housing;

(iii) That large numbers of workers have to spend appreciable sums on transport;

(iv) That such expenditure is a permanent feature of their entire working life and is not such as can eventually be avoided by securing a transfer or the allotment of Government quarters as in the case of the majority of the employees of other Departments; and

(v) That physical tiredness in a manual worker is detrimental to the employer himself.

As regards the amount of the allowance, I feel that while it should not become a source of profit to the recipient, it should be sufficient to meet the extra expenditure on transport.

I suggest a scale as follows:

1. Not more than five miles—nil.
2. More than five miles but not more than 10 miles—Rs. 5 p.m.
3. More than 10 miles but not more than 15 miles—Rs. 10 p.m.
4. More than 15 miles—Rs. 12 p.m. or the actual cost of a ticket if it exceeds Rs. 12 p.m. but subject to a maximum of Rs. 15 p.m.

## Permanency—Term of Reference IV

Industrial Employees: It has been brought to our notice that while by and large industrial employees under the Government may be on a temporary basis, it is not an absolutely uniform rule. There are certain establishments where permanent posts have been created for industrial employees, e.g., the C.P.W.D., the Mints at Bombay and Calcutta, the Security Printing Press, Nasik, and, as far as information is available, also the Railway Workshops.

After considering all the aspects of the question we have come to the conclusion that such of the appointments, held by industrial employees, as are certain to be continued indefinitely should be declared as permanent. Obviously, no uniform method of determining the number of such appointments can be laid down. For example, while in the Technical Development Establishment, it may be possible for the Government to declare a large number of appointments as permanent, on the ground that there is unlikely to be a contraction in this establishment, in the Ordnance Depots which are likely to contract the number must proportionately be very much less. In other words, each establishment must be considered on its own merits. We recommend, however, that the Government should take a decision in this matter in respect of each of the establishments at an early date. In some establishments, the Government may have to proceed stage by stage, i.e., to start with a small number may be declared as permanent and it may be increased gradually as the future of the organization becomes clearer.

A demand was put forward by the labour Federations that all industrial employees who have put in a certain number of years, say, three years or so, should all be made permanent straightaway. We consider that it is not a proposition which can be accepted. Persons can be confirmed only if there are permanent appointments and appointments can be declared as permanent only if they are likely to continue on a permanent basis. In

some offices or departments it may be possible to adopt length of service as a criterion for confirmation, where the number of permanent appointments is in no case likely to be less than the number of men to be confirmed on this basis but even in this case, permanent strength is determined with reference to the permanent requirement of staff. But in an organization like the Defence Services, this is obviously not possible. It is well known that during an emergency the Defence Services have to expand and that the emergency may sometimes continue for a number of years, but obviously the Government cannot agree to confirm automatically all employees who were recruited originally for the emergency and who may have continued for a number of years. On behalf of the Defence Ministry, it has been mentioned that the Defence Organization in India has not yet come to its normal peace-time conditions. Therefore, confirmation cannot be made purely with reference to the length of service of an individual and a prerequisite of confirmation must be the creation of permanent appointments.

**Non-Industrial Employees:** On behalf of the Non-industrial employees, it was brought to our notice that even though the Government had directed as early as in 1949 that a permanent nucleus should be created, the direction has not yet been given effect to. It is suggested that steps may be taken to implement the decision already arrived at.

#### **Piece-Work Rates—Term of Reference V**

**Mr. Ghosh's Recommendations:** There are various systems of payment by results the object of all of which is to achieve greater output by providing an incentive the workers to produce more than they would otherwise do. But whatever the system or the extent of incentive may be, it is of the utmost importance that the rate should be correctly fixed. Otherwise, the disadvantages may sometimes outweigh the advantages of the system.

Ignoring for the time being the existence of unduly high profits in some cases, it is obvious that unless the piece-work rates are related to the current rates, the principle that a piece-worker of average ability working at a standard speed should earn 25% of profit over time-rates may itself be vitiated. The old daily rates are no longer in force and it is not correct to cling to the piece-work rates based on them only in order to avoid an increase in the rates which are unduly high. The problem of unduly high rates should be faced squarely by reviewing them, taking into consideration the present methods and instruments of production; but, in any case, the piece-rates should be related to the new scales.

**Mr. Subramanian's Recommendations:** The present

methods of calculation of piece-work earnings are unsuitable and should be replaced by a system in which the piece-rates will be directly related to, and evolved from, the revised monthly scales of pay.

I feel that the minimum of a scale has no special significance in relation to the skill of the worker or the value of the worker to the employer and should, therefore, not be taken as the appropriate reference point for correlating time-rates with piece-rates.

I suggest that the actual monthly rates, not the minimum of the scale as at present, should be guaranteed to all piece-workers, high or low. I do not think that it is sufficient to guarantee the minimum of the scale. What the workers are asking for is their actual wages, i.e., their time-rates, and the minimum does not represent the time-rate in the case of all workers other than new recruits.

#### **Leave—Term of Reference VI**

We consider that the provisions of the Factories Act must be regarded as satisfying the need for requisite rest and therefore, purely from the point of view of need, it would be difficult to establish that an improvement in the leave terms of the industrial employees is justified. As the existing rules may, by and large, be considered to be no less favourable than the rules contained in the Factories Act, any improvement of the former would naturally widen the difference between the leave rules applicable to the industrial employees in the Government industrial undertakings and those in the private industries which, according to the Pay Commission, would be desirable to avoid. Even so, we have come to the conclusion that the considerations urged by the representatives of labour are sufficiently important to justify a reconsideration of this attitude.

The Industrial employees at present get 14 paid holidays while the Non-industrial employees generally get 20 to 21 paid holidays. There is a great deal of criticism already about the excessive leave given to Government employees. Apart from this, the need of the present time is to increase production. We are, therefore, opposed to any increase in the number of holidays to industrial workers. Uniformity can, therefore, be achieved only by reduction of the number of holidays for Non-industrial employees, but if this is not possible, there is no reason why the holidays of the Industrial workers should be increased.

We do not recommend the introduction of a system of casual leave to Industrial workers. That would lead to a lot of administrative difficulties and would affect production. The equalization of the basic leave rules will confer a substantial benefit on the Industrial workers and no further additional benefit is, in our opinion, justified.



## Government's Contribution To Provident Fund—Term Of Reference VII

We recommend that the Pay Commission's recommendation should be implemented. In other words the Government's contribution should be equal to employees' compulsory contribution, which is 8½% of the emoluments (as defined in the Provident Fund Rules).

## Overtime Pay—Term Of Reference VIII

Mr. Ghosh's Recommendations: I am given to understand that the legal view is that apart from the workers employed in shops, only those employed in estimating, planning and drawing offices directly connected with production would come under the definition of workers under the Factories Act. Storekeepers, gate-keepers, durwans, lorry drivers, nurses, fire brigade staff, etc., do not come under the definition of workers under the Factories Act. My view, therefore, is that there can be no case for the grant of overtime pay to such employees under the Factories Act. As regards the application of the departmental rules which provide for overtime pay for systematic overtime work in the case of Non-industrial workers, I think there should rarely be any occasion for these categories to work systematic overtime. Such staff like gate-keepers, durwans, fire brigade staff, etc., generally work on shift system and any increase in the work of the production section would not affect their hours of work.

The only category which requires further consideration is the category of clerks. It has been represented that the clerks in administrative offices who have now to work to the same working hours as shop clerks and Industrial workers should be eligible for overtime payment. It is understood that clerks in administrative offices (except those who work in estimating, drawing and planning offices directly connected with production) do not fall under the definition of "workers" under the Factories Act. We see no objection to this category being treated on a par with industrial staff in the matter of overtime.

Mr. Subramanian's Recommendations: In view of the fact that clerks in ordinary civil offices work only for 36 hours and that clerks in factories have to keep pace with Industrial workers, there would be every justification for treating them on a par with Industrial workers even in respect of the quantum of overtime and paying them at twice the rate on those occasions on which they are required to work beyond 48 hours. These recommendations would apply equally to Checkers.

As regards other categories of Non-industrial staff in factories such as gate-keepers, durwans, lorry drivers, orderlies, nurses, fire-brigade staff and telephone

operators, it is understood that while some of them may be working on a three-shift basis, others have to work the same working hours including overtime as Industrial workers. Those working on a three-shift basis are not normally liable to be subjected to systematic overtime. If at any time they are called upon to work systematic overtime and are so certified to be working, they should be given both departmental overtime and overtime over 48 hours on the same terms as the rest of the Non-industrial staff who are presumed to be working systematic overtime.

As regards the complaint that Supervisors in Ordnance Factories are not being paid overtime pay on account of their exemption under Section 64 (1) of the Factories Act, I feel that the question whether exemption should be sought in respect of the lowest category of employees in the chain of supervision should be re-examined. If there are no great advantages in seeking exemption, it would be as well to leave them within the scope of the Factories Act so that they might be entitled to overtime at double the rate for work beyond 48 hours. If, on the other hand, there are any compelling reasons why exemption should be sought in respect of them, I agree that they should at least be equated to chargemen and similar categories who are entitled to a higher rate of departmental overtime.

## Gratuity—Term Of Reference IX

Mr. Ghosh's Recommendations: Taking everything into account, I suggest the following:

(i) In the case of ex-E.T.D. personnel who are eventually confirmed, E.T.E. service should count as equivalent to temporary service.

(ii) In the case of ex-E.T.E. personnel who retire without being confirmed, gratuity should be sanctioned for E.T.E. service on the same scale as applicable to the Industrial employees.

Mr. Subramanian's Recommendations: As the claim of the Federations that extra-temporary service should count for pension has not been referred to the Committee, the main question for the decision of the Committee is whether gratuity should be allowed to Non-industrial employees in respect of their extra-temporary service prior to August 1, 1949, on the same terms as the concession shown to Industrial employees. The answer seems to be clear: they should be given a gratuity on the same terms. The two sets of employees classified as Industrial and Non-industrial in pursuance of the Government's orders of August 19, 1949, were all, prior to August 1, 1949, members of one and the same category, known as Extra Temporary, with the same service conditions, rights and liabilities. No doubt a division of the cadre was affected on August 1, 1949, one group being sent over to the benefits of the Provi-

dent Fund and the other to the benefits of quasi-permanency and eventual permanency and pension. It is true that as from August 1, 1949, the two categories could not look forward to treatment identical in all respects because of the inherent differences in the features of the two systems of retirement benefits, but there is no reason why all of them should not be treated alike in the matter of retirement benefits for the period prior to August 1, 1949, when they were all indistinguishably part and parcel of one and the same service. If then the group classified as Industrial Employees was allowed gratuity, I feel that the group classified as Non-industrial should also have been allowed gratuity on the same terms.

I feel that Non-industrial employees who were members of the former extra-temporary service should be allowed a gratuity on the same terms as Industrial employees. In the case of some who are not too old and may eventually become permanent, it may be more advantageous to treat half the extra-temporary service as qualifying for pension in the same way as the regular temporary service. I suggest that this concession may be extended to those who claim it in preference to gratuity.

The Federations have made the following demands in respect of the gratuity admissible to Industrial employees, namely:

- (1) That the condition of five years' continuous service prior to August 1, 1949, should not be enforced;
- (2) That gratuity should be paid at the rate of one month's pay for every completed year of service instead of half a month's pay; and
- (3) That the amount of the gratuity should not be restricted to a maximum of 9 months' pay.

I am not inclined to consider demands (2) and (3) as it cannot be said that the existing provisions are unreasonable. As regards demand (1), viz., the condition of five years' service prior to August 1, 1949, I realize that this condition obtains in other departments also, but feel that it requires reconsideration.

In my opinion, the War Bonus paid should not be deducted from the gratuity sanctioned to Industrial employees under the Government's orders of August 19, 1949, in respect of their extra-temporary service prior to August 1, 1949.

## COMMITTEE OF EXPERTS FOR BUILDING WORKS, 1950—REPORT

### New Delhi, Ministry of Works, Production and Supply, 1952. 59p.

Convener : Shri B. S. Puri.  
Members : Shri F. C. Badhwar; Maj-Gen. H. Williams.  
Secretary : Shri C. B. Patel.

#### APPOINTMENT

The Committee of Experts for Building Works was constituted under the Ministry of Works, Production and Supply vide their Resolution No. AG 88(123), dated September 21, 1950.

#### TERMS OF REFERENCE

- (i) To collect plans, specifications and construction costs of all types of cheap but durable buildings;
- (ii) To continuously review building costs on both the civil and the military sides of Government activity with a view to advising the Ministries of the Government of India, and, if desirable, the public, on how to obtain the best value for money; and
- (iii) To draw up an annual consolidation programme of construction of buildings, office, residential, etc.,

by the Government of India and estimate of the materials necessary for the purpose;

- (iv) Any other matter on which the advice of the Committee is sought for by the Government.

#### CONTENTS

Letter to the Government of India; Summary of Report and Conclusions; Background; Planning of Works; Materials and Labour; Standards of Accommodation; Architectural Design; Structural Design; Ceiling Costs; Administrative and Executive Procedures; Appendices A to C.

#### RECOMMENDATIONS

##### Building Costs

Building costs are correlated to the cost of living. However, same degree of economy can be effected by.

- (a) Expert architectural planning and structural designing; and
- (b) Adopting utility scales of accommodation.

## Notification Of Allotments Of Funds Two Years In Advance

Considerable time is required to progress a project through the different stages of planning. To ensure good economical planning, the practice followed in advanced countries of notifying the allotment of funds for capital projects two years in advance must be adopted. No major project should be included in a budget unless it has been administratively approved and technically examined in detail in the previous year.

## National Building Organization

There is a need for the establishment of an expert organization to collect, collate and disseminate technical information available both at home and from abroad. This body should be essentially advisory in nature, and should have administrative, technical and co-ordinating functions.

## Standardization Of The Quality Of Materials And Better Outturn From Labour

The standards laid down for various locally produced materials by the I.S.I. should be enforced in order to enable the designer to allow the maximum permissible stresses.

Similarly imported materials should be subjected to strict inspections and rigid compliance to specifications.

Time-honoured practice of paying labour on the basis of units of work done instead of daily or monthly basis should continue for higher production.

## Standards Of Accommodation

Seven types of residential accommodation with the appropriate pay range of the occupants shown against each have been drawn up for housing Government employees. A 10% variation in plinth area is allowed for local conditions. In special circumstances exceptions will, however, have to be made to the application of these standards. Accommodation in the houses of upper class can be appreciably reduced.

## Economy Through Architectural Design

Plans should be developed so as to utilize all available space to the fullest advantage.

The various components of the structure should be balanced in quality, quantity and cost and so arranged as to give a pleasing appearance.

## Cost Reduction Through Structural Design

Traditional materials and building methods are generally most economical in India, but traditional specifications should not be followed blindly. The functional requirement of each component of a structure should be considered and materials and methods selected to ensure a sound permanent building with minimum cost. A departure from the usual specification in many instances will result in a saving in cost. Buildings erected from public funds should be durable as temporary buildings are more expensive due to heavy maintenance and depreciation costs.

## Ceiling Costs

The Committee were of the opinion that some indication of reasonable ceiling costs of various types of buildings would be a useful guide to engineers and architects. It would also encourage them to explore methods to bring down the costs of buildings without sacrificing essentials.

Ceiling costs for Delhi in 1950 have been calculated and coefficients for variations in building costs indices have been worked out for a number of other localities to determine the permissible ceiling costs for the latter.

## Economy In Construction Through Administrative And Executive Procedures

The tendency to design oversafe and therefore uneconomical structure must be discouraged. Engineers must be made more cost-minded. Quality control of works must be instituted, and laboratories set up both in the centre and in the field to test strength of materials and structures.

Contractors should be paid promptly but not later than 90 days after satisfactory completion of works. Delay in payment means higher tender costs.

# ENQUIRY COMMITTEE ON GOVERNMENT HOUSING FACTORY, 1950—REPORT

New Delhi, Ministry of Health, 1951. 76p.

Chairman : Shri S. Moolgaokar.  
Member : Shri Kanwar Sain.  
Secretary : Shri S. V. Ayyar

## APPOINTMENT

The Enquiry Committee on Government Housing Factory was constituted under the Ministry of Health

vide their letter No. 4304-LSG/50 dated November 2, 1950.

## TERMS OF REFERENCE

(i) To examine the organization of the factory that has been set up for the manufacture of Alcrete House-Building Material, and to make recommendations regarding its adequacy, or otherwise, for the purpose in view;

(ii) To examine the house-building material produced in the Alcrete factory and the design of the house, and to pronounce on their suitability from a structural and qualitative point of view;

(iii) To examine the operation of the Alcrete factory from the commercial (including financial) point of view, and to advise on the fixation of the sale price of the house in the initial period.

## CONTENTS

Introductory; History of the Housing Project; Capital Expenditure of the Project; Proposed Design of the Low Cost House, Suitable for mass prefabrication; Comparison of original specifications of wall panels and specifications of wall panels as now produced; House-Building Material produced in the Factory and its suitability from a structural and qualitative point of view; Factory Production Capacity; Section 1: Estimated Cost of Production of MZ-2 Type houses; Section 2: Estimated Cost of Production of FR-1 Type houses; Comparative Study of Costs; Traditional type versus Prefabricated House MZ-2 and FR-1; Organization of the Factory; Fixation of the Selling Price for FR-1 Type house during the initial period; Summary of Conclusions and Recommendations; Acknowledgments; Appendices I to IV.

## RECOMMENDATIONS

For the maintenance of production, a fairly satisfactory organization has been built up, but the factory has been staffed on a very generous scale. It is recommended that the economies suggested in Chapter X be carried out.

The house-building material produced in the factory at the moment comprises Foam Concrete Wall Panels which bear no relation whatsoever to the type of patented Wall Panels previously specified by the Consultants. The present type of plain Foam Concrete Load Bearing Panels bears all traces of a complex product, the commercial production of which does not

appear to be a straightforward job. Production of a uniform product with the desired properties would appear to require considerable experience and close control of the manufacturing process. The Consultants' lack of experience in the production, on a commercial scale, of this complex product has been abundantly revealed. The performance of the factory product in actual practice has so far turned out to be unsatisfactory. Even with large-scale production, the cost per unit volume of Foam Concrete will not be comparable with that of ordinary dense concrete.

The original design known as MZ-2 Type with an aluminium roof and other expensive aluminium alloy parts may have been suitable from the point of view of quick production and erection, and also from the point of view of quick production and erection, and also from the point of view of the Consultants whose function it is to promote the use of aluminium products, but from the point of even reasonably low cost, the design has failed badly. Its production can no longer be considered in view of its high cost.

As far as the general design of the flat roof house is concerned there can be no complaints. The design would appear to be generally to the taste of the buying public.

The choice of Foam Concrete Wall Panels as a principal ingredient of a Low Cost House is not justified, because it is definitely more expensive than the traditional type of construction.

The Committee recommends that the Government should obtain from the Consultants a definite indication of the time required by them to complete the tuning up of the factory, which has been laid out at such heavy cost, strictly in accordance with the Consultants' designs and specifications.

The Committee recommends that future production at the factory should not be confined to the manufacture of the complex Foam Concrete Load Bearing Panels but should be extended so as to cover the vastly greater field of ordinary concrete products, such as hollow building blocks and various other types of precast products, which are in great demand for all types of building activities. It is felt that the future bread and butter line for this factory should be the production of Hollow Concrete Building Blocks, used in place of ordinary bricks.

A precasting section should be set up for manufacturing concrete products of various types, so largely used by the C.P.W.D. and other house-builders.

# 1951

## COMMITTEE ON PROPOSED LEGISLATION FOR THE REGULATION OF STOCK EXCHANGES AND CONTRACTS IN SECURITIES, 1951—REPORT

New Delhi, Ministry of Finance, Economic Affairs Department, 1951. 75p.

Chairman : Shri A. D. Gorwala.

Members : Shri K. R. P. Shroff; Shri B. N. Chaturvedi; Shri V. S. Krishnaswamy; Shri Pranlal Devkaran Nanjee; Shri L. S. Vaidyanathan; Shri P. D. Himatsinghka; Shri Jagmohandas J. Kapadia; Shri G. P. Kapadia.

Secretary : Shri P. S. Nadkarni.

### APPOINTMENT

The Committee on Proposed Legislation for the Regulation of Stock Exchanges and Contracts in Securities was constituted under the Ministry of Finance, Economic Affairs Department, vide their Resolution No. 7 (85)-F.1/51 dated June 23, 1951.

### TERMS OF REFERENCE

(i) To consider and report on the draft proposals of the Government;

(ii) To submit a revised draft Bill with a memorandum explaining in brief the reasons for each clause of the Bill; and

(iii) To make any other recommendations on the subject.

### CONTENTS

Report; Draft Bill; Notes on Clauses; Notes on Blank Transfers.

### RECOMMENDATIONS

The blank transfer system is an integral part of the Stock Exchange mechanism, directly affects the banking world and the capital market and enters into the daily trade, commerce and industry of that country.

The case for abolition or limitation of blank transfers must be established by reasoned arguments and not by dogmatic associations or appeals to opinions,

however distinguished, as seems to have been attempted.

The assertions in favour of abolition or limitation of blank transfers fall into two categories:

(a) Those germane to Stock Exchanges (Section II) and therefore relevant for purposes of Stock Exchange legislation; and

(b) Those extraneous to Stock Exchanges (Section II) and therefore not strictly relevant.

The blank transfer system is alleged to stimulate unhealthy speculation. But in effect it does not even touch or influence short-term speculation which is 80 to 90% of the total speculation—speculation of a type which in certain circumstances is more apt to develop on unhealthy lines. The system is solely concerned with long-term speculation which amounts to only 10 to 20% of the total speculation and which in the main is *bona fide* healthy speculation. It follows that abolition or limitation of blank transfers can in no way curb unhealthy speculation.

The abolition or limitation of blank transfers will be not only unhelpful but will directly lead to serious and most harmful consequences, namely,

(a) Periodic artificial squeezes and emergencies in the market necessitating undesirable outside interference;

(b) Stimulation of unhealthy speculation and gambling for differences and sharp price fluctuations;

(c) Encouragement to monopoly practices complicating the problem of control; and

(d) Destruction of ready marketability and negotiability of shares with adverse repercussions on borrowing, lending and banking credit and on the finance of joint stock enterprises.

The system of blank transfers exists all over the world, particularly in America where it has reached a high stage of perfection and on the continent of Europe where bearer securities predominate. The system has been necessary for promoting progress and development. India is no exception and hence the necessity and widespread use of the blank transfer system whose usefulness must be recognized and appreciated rather than unthinkingly condemned.

It is not correct that blank transfers are bad delivery on the London Stock Exchange. The London rule merely discourages blank transfers by denying protection to holders on blank. Similar rules exist, for example, on the Bombay and Madras Stock Exchanges and are strictly observed. It is the unique differentiation between brokers and jobbers on the London Stock Exchange, the provision of special privileges to jobbers in the form of nominal stamp duties and the facilities for quick registration of shares by specialized corporations acting within the few square miles of the City of London on behalf of Companies spread over different

parts of the country which together have produced conditions in which in the natural course of things it is more advantageous to register them to take the risk of carrying shares on blank. These conditions are non-existent in other parts of the world. For instance, in India brokers are not distinguished from jobbers, the stamp duties are extortionate without suitable exemptions, and the distances and delays involved in registration of shares are notorious. It follows that, contrary to London, for other parts of the world and particularly India the blank transfer system is not only desirable but also indispensable.

Government Securities are in the form of promissory notes and bearer bonds which are transferable on delivery and which therefore are a more perfect instrument than shares on blank transfers. If compulsory registration of Government Securities even without stamp duty is deemed destructive of free negotiability, what is the warrant for abolishing or limiting blank transfers for shares? If there are possibilities of abuse, the scope is much larger in regard to Government Securities whose total outstanding amount of about Rs. 1,600 crores exceeds by two or three times the market value of quoted shares computed at about Rs. 600 crores, particularly if it is remembered that shares generally do go up for registration at least at dividend time. If promissory notes and bearer bonds are necessary for financing Government borrowing, blank transfers are even more necessary for financing industry and providing credit for the trade and commerce of the country.

The whole trend of evolution has been to depersonalize ownership imparting to it mobility and liquidity. To advocate abolition or limitation of blank transfers to compel the owner to hold and "freeze" the share in his own name is to go back to the bullock-cart days and attempt to undo an evolutionary process not peculiar to India but common everywhere, more particularly in advanced and progressive countries.

It is not only that abolition or limitation of blank transfers is unnecessary, undesirable and potentially dangerous. The proposal as embodied in the scheme put forward is *prima facie* not feasible at all, evasion will be easy and widespread, and to the extent the scheme operates it will work to the disadvantage of *bona fide* market interests.

The scheme by which the proposal is intended to be enforced contemplates that all securities must pass through a Clearing House which all recognized Stock Exchanges must maintain and such a Clearing House must date the transfers. But it is forgotten that spot delivery contracts in the area to which the Act applies and all contracts—spot delivery or otherwise—in all parts of India other than the notified area will not pass through a Clearing House and in such cases the proce-

dures for stamping transfers will not operate at all. Further the organization, maintenance and working of a Clearing House involve questions of expense, risk and administration. These practical problems are of formidable dimensions and therefore breakdowns of the Clearing House and therefore of the scheme are not only possible but more than probable. The proposition that all securities must pass through the Clearing House is far from feasible and as the only argument in favour of such a proposal is that the Act applies to all securities and not to listed securities only it would be by far the better thing to limit the scope of the Bill to listed securities only.

Apart from the Clearing House, the scheme for effectuating abolition or limitation of blank transfer also envisages that Companies should not register transfers if presented six months after they have passed through the Clearing House unless heavy penalties are paid. But companies cannot discriminate between one transfer and another and the method cannot work since in regard to spot delivery contracts and contracts in non-notified areas no question of transfers passing through a Clearing House can at all arise.

The scheme for abolition or limitation of blank transfers is open to evasion at almost every point and to the extent it operates it will penalize *bona fide* market delivery business and deliberately encourage monopolistic practices. On the London Exchange jobbers are distinct from brokers and they receive special exemptions in the matter of registration and stamp duties. No such exemptions will be available here as it is not feasible to differentiate between jobbers and brokers. As a result *bona fide* market interests will be heavily penalized and monopoly elements will gain at their expense.

Abolition or limitation of blank transfers has also been suggested on grounds not strictly germane to Stock Exchanges but even otherwise they have no inherent validity or compelling justification.

It has been contended that the holder on blank benefits at the expense of the Government. This belief is erroneous. The taxing statute gives the holder a choice between paying the stamp duty and thereby perfecting his title or not paying the stamp duty and risking the consequences, and there is nothing inequitable in such a position.

It has been urged that the abolition or limitation of blank transfers will bring the Government a large revenue. Consideration of revenue is no doubt important but it cannot be the determining factor when deciding questions of economic policy. If the stamp duties are made uniform and drastically reduced, as it has been recommended they must be if blank transfers are abolished or limited, the ultimate gain in revenue may not be as popularly imagined.

It has been objected that blank transfers make Company records incomplete, inaccurate and misleading. In this connection it is not generally appreciated that all shares do not circulate on blank indefinitely. Shares generally do go up for registration every six months or year at dividend time as can be confirmed by making inquiries. As an encouragement to this normal practice it has been suggested, and the Report has accepted the suggestion, that an option may be given in law to the registered holder not to pay to the beneficial holder the dividend collected unless the shares are transferred out of his name. This will ensure that shares are lodged for transfer when the annual list of shareholders is prepared. But so long as a floating stock exists—and it must exist in the nature of things—and shares are held by nominees, the share registers will remain in any event incomplete and inaccurate, no matter what is done and no matter whether blank transfers are abolished or limited or not.

It is observed, and rightly, that blank transfers often saddle the registered holders of partly-paid shares with an indefinite capital liability even after the shares are sold. Registration at dividend time as suggested above offers a partial solution. But the seller desiring complete protection has the remedy in his own hands. He must make an appropriate stipulation when he sells the partly-paid shares and for that the Stock Exchanges provide special facilities.

It has been asserted that blank transfers help evasion of income-tax. The Income-tax Investigation Commission has also complained to this effect. But there seems to be some misunderstanding. The blank transfer system occupies a completely neutral position in this matter. No doubt evaded moneys are held in the form of Government Securities, bullion, precious stones, etc., none of which carry identity labels and the scope here is much greater. To argue that blank transfers should be abolished or limited because evaded moneys are held in this form is tantamount to arguing that Government Securities, bullion, precious stones, etc., which are also employed as a medium for the same purpose, should also be similarly done away with. The proposition can hardly be sustained.

The last contention is that blank transfers should be either abolished or limited because they directly contribute to establishment of monopoly control over joint stock companies. The argument seems to be misconceived. The monopolist acquires control the moment he purchases the shares, no matter whether the shares are retained on blank or subsequently lodged for transfer in his own name, or in the name of his bankers, or in the name of the companies under his control, or in the names of his nominees. In fact, in such cases, shares are more often lodged for registration

than held on blank so as to avoid difficulties of mobilizing voting control. It is the concentration of money power which enables the monopolist to purchase shares from *bona fide* investors and others at fabulous prices and it is this concentration of money power and not the prevalence of the blank transfer system which is responsible for the developments that have attracted so much attention. The abolition or limitation of blank transfers will not influence the position one way or the other as here again it functions as a purely neutral agent.

#### Economic, Political And Psychological Considerations

The issues summarized in the last para dispose of many prejudices and clarify many misconceptions. It is easy to be led away by slogans but the question demands dispassionate thinking. The critical argument that has been developed in this Note is vaguely present in many minds. But it is only when the argument is systematically set out and defined in terms that its true import is grasped. It is then apparent that every attempt at abolishing or limiting blank transfers will only succeed in touching off a chain of adverse reactions in every direction and that will make the last state worse than the first. The inherent dangers seem to have been subconsciously realized. The very admission that blank transfers should be limited to six months or to a year as later suggested as a compromise; that the transfer stamp duty should be substantially reduced; that all possible arrangements should be made so that shares do not "freeze" in the process of registration: all these admissions are in themselves the clearest proof that everything should be done to preserve liquidity and negotiability of shares and maintain banking and other credit facilities and that nothing should be done to disturb the economy of the country or interrupt the smooth flow of the business in the capital market. The question of questions then is—why impose artificial restrictions interfering with an

old established and universal practice and then make elaborate suggestions and provisions of doubtful utility for surmounting the very obstacles thus artificially imposed? In between the imposition and the relief, all sorts of awkward, undesirable and harmful consequences intervene. The dangers of any hasty or immature legislation are well known. As pointed out by Mr. L. S. Vaidyanathan, Chairman of the Insurance Companies' Association, in the course of discussions on the Bill, the recent insurance legislation is found in practice to be impossible of full compliance in many respects and those charged with the management of insurance companies are constantly struggling with problems artificially created by a legislation some of the provisions of which were enacted without consultation with or in opposition to the views of those who are vitally concerned in their day-to-day administration. It seems to be the better part of commonsense not to inflict unnatural restraints rather than to impose them and then discover means of relief and remedy. The Fabian fallacies of the era inaugurated by the Liaquat Ali Khan Budget are a standing reminder of how ruinous are the consequences of blind ideological pursuits no matter how honest and laudable the underlying intentions. The world of trade, commerce and industry and the Stock Exchanges particularly have scarcely recovered their poise and while yet they are at this delicate stage, is it necessary to repeat the costly errors of the past which cannot but dislocate the economy, affect banking practices and have serious repercussions on the capital market shaking it to its very foundations? The proposal of abolishing or limiting blank transfers has these widespread ramifications and the question must be carefully weighed again and again because nothing should be done which destroys the free circulation of shares or retards the free circulation of shares or retards the free flow of capital that is so desirable in the public interest and on which the growth and development of trade, commerce and industry of the country depend.

## SPICES ENQUIRY COMMITTEE, 1951—REPORT

New Delhi, Indian Council of Agricultural Research, 1954. 199p.

Chairman : Shri K. R. Damle.

Members : Shri A. K. Menon; Shri N. Alexander;  
Dr. B. N. Uppal; Dr. M. B. Ghatge;  
Dr. T. G. Shirname; Shri C. M. John.

Secretary : Shri J. V. A. Nehemiah.

#### APPOINTMENT

The Spices Enquiry Committee was constituted under the Indian Council of Agricultural Research vide their letter No. F.63(4)/51-A dated October 23, 1951.



## TERMS OF REFERENCE

(i) To examine the whole position regarding the production and marketing of six agricultural commodities, viz., pepper, cardamom, ginger, turmeric, cashewnut and lemon-grass oil and make recommendations as to how the production and marketing of these commodities could be improved;

(ii) The Committee was also asked to see whether centralized direction was necessary and feasible and, if so, in what form to bring about the desired improvements.

## CONTENTS

Introduction; Pepper (Kali Mirich) (General Outlook; Position of the Industry in India; Research, Technology and Development; Summary of Conclusions and Recommendations); Cardamom (Elaichi) (General Outlook; Position of the Industry in India; Research, Technology and Development; Summary of Conclusions and Recommendations); Ginger (Adrak) (General Outlook; Position of the Industry in India; Research, Technology and Development; Summary of Conclusions and Recommendations); Turmeric (Haladi) (General Outlook; Position of the Industry in India; Research, Technology and Development; Summary of Conclusions and Recommendations); Cashewnut (Kaju) (General Outlook; Position of the Industry in India; Research, Technology and Development; Summary of Conclusions and Recommendations); Lemon-Grass Oil (Pul Thylam) (General Outlook; Position of the Industry in India; Research, Technology and Development; Summary of Conclusions and Recommendations); Appendices I to XXXVI; List of Illustrations.

## RECOMMENDATIONS

Pepper (Kali Mirich):  
General Outlook

The Indian pepper industry should utilize the present opportunity and take early steps to reduce the cost of production and distribution so as to enable it to offer more competitive prices in the foreign markets.

### Need For Agricultural Research

There is urgent need for research for reducing the cultivation expenses and production costs by adopting scientific methods of farming. Two regional research stations should be started in the two important producing areas of Travancore-Cochin and Malabar and two regional sub-stations at Sirsi in North Kanara and some suitable hill areas of Assam. Investigations should be carried out for popularizing pepper cultivation in various parts of Assam.

In order to minimize the expenditure on staff and equipment, it is suggested that these regional research stations and sub-stations for pepper should be utilized

for conducting research on other spices and allied crops as well, as far as possible.

### Increasing Internal Production

For reducing the gap between the present world demand and supply, it is necessary to step up internal production of black pepper. In order to increase internal production of this spice, we recommend that steps should be taken to encourage:

(i) Intensive methods of cultivation in all the existing pepper gardens;

(ii) Replacement of old and uneconomic vines in all the existing plantations; and

(iii) Cultivation of pepper in new areas wherever there are possibilities of extending the crop.

### Better Basis For Crop Estimation

Pilot sample surveys should be undertaken to determine the normal yield of the pepper crop in the different producing areas. Such surveys should also examine the possibility of enumerating the total number of old and new vines in different plantations so as to determine more accurately their yielding capacities.

### Special Agency For Export Promotion

The Central Government should set up a special Export-Promotion Agency in New York and another in London with the sole object of expanding India's trade in pepper and other spices by co-operating with similar agencies already functioning at present. The Export-Promotion Agency which had its headquarters in New York should be entrusted with the work in the U.S.A., Canada and other American markets while its counterpart in London should be asked to take over the publicity and sales promotion work in the U.K. and other European Markets.

### Documentary Films

Exhibition of documentary films will be an effective aid to greater publicity and sales promotion. The Government of India should prepare documentary films showing the various stages of the pepper industry and of other spices and arrange for their exhibition in all important markets, both present and potential.

### Exploring New Markets

The Government of India Trade Representatives in foreign countries should survey the potentialities of developing these new markets.

### Uniformity In Grade Standards

In order to maintain the reputation of Indian black pepper and to give satisfaction to the foreign consumers, it is necessary to frame suitable grades and grade specifications for this commodity under the Agricultural

tural Produce (Grading and Marking) Act, and encourage the shippers to conduct export trade on the basis of these grades and grade specifications. These standards of quality should then be included in the trade contract terms also.

### Standardizing Trade Contract Terms

The present contracts for foreign exports of pepper and other spices are made largely according to the terms prescribed by the American Spice Trade Association of New York or the General Produce Brokers' Association of London. None of these associations provides for mutual allowances of quality or for arbitration facilities in India in the case of disputes. The Indian industry should frame standard contract terms of their own providing for these facilities and utilize the present opportunity in order to persuade the foreign buyers to accept the same.

### Uniform Weights In West Coast Markets

The Governments of Madras and Travancore-Cochin should agree to take early steps to adopt uniform weights in all the West Coast markets.

### Regulation Of Markets

Improper deduction and market practices should be eliminated by bringing all important assembling centres in the West Coast within the scope of the Regulated Markets Act as soon as possible.

### Co-operative Marketing

There is urgent need for organizing Producers' Co-operative Societies for the sale of pepper in all the primary markets. These societies should be gradually combined into District Unions and brought under a State or Regional Federation. The Central and State Governments should encourage the formation of such co-operatives and give all facilities to these federations for undertaking the export trade. Such facilities may also include loans or subsidies for construction of warehouses, etc., and liberalization of rules governing the issue of co-operative loans. Wherever there is no scope for organizing co-operative societies, the possibilities of establishing licensed warehouses should be considered.

### Improving Road Communications

Most of the pepper-producing areas are concentrated in the hilly tracts at the foothills of the Western Ghats. The opening up of these areas by means of proper road communications would make these areas more accessible and facilitate marketing of the produce.

### 'Market News' Service

In order to determine his selling price, the seller in the primary and secondary market should possess an up-to-date information regarding arrivals, stocks, despatches and prevailing prices at various centres. Arrangements should be made for supplying such information regularly to the sellers in the primary and assembling markets by organizing a 'Market News' service in the important producing States, including daily broadcasts of these particulars from the regional stations of All India Radio.

### Central Plan For Development

The Government of India should create a Pepper Development Fund and earmark from the export duty a sum of not less than one crore of rupees for organizing and subsidizing all the development measures such as supply of standards, raising of special nurseries, supply of rooted cuttings, replacement of uneconomic vines, extension of cultivation, control of pests and diseases, provision of better storage facilities, framing of grade standards, promotion of orderly marketing and dissemination of agricultural information regarding production, marketing, etc.

As a first step, the Central Government should consult the State Governments concerned and prepare an integrated ten-year plan for the development of the Indian pepper industry. This plan should also be executed expeditiously.

### Organization And Control

A small Central Advisory Committee for the development of spices should be constituted by the Government of India. This Committee should be assisted by three Regional Advisory Committees, one for Travancore-Cochin, second for Malabar and South Kanara and the third for Mysore including Coorg and North Kanara. While the Central Committee will be responsible for planning and co-ordination as well as allocation of funds for various developmental measures, the responsibility for the successful working of the ten-year plan and for proper utilization of the funds provided therein will rest with the three Regional Advisory Committees.

### Cardamom (Elaichi):

#### General Outlook

Instead of trying to expand the foreign trade, steps should be taken to retain the position already gained in the overseas markets by maintaining the quality of the cardamoms exported from India.

#### Alternative Uses For Cardamom And Cardamom Oil

Since cardamom and cardamom oil have only limited uses, research should be conducted to find out alternative uses for these products. The National

Chemical Laboratory at Poona and the Council of Scientific and Industrial Research should investigate the possibilities and also subsidize suitable schemes in this connection.

#### **Need For New Research Stations**

Agronomic and botanical research on the cardamom crop has been inadequate in all the producing areas. Considering the need for scientific aid in these problems, we recommend that two additional Cardamom Research Stations should be opened, one in the Saklaspur region of Mysore State and another in the Cardamom Hills of Travancore-Cochin. The regional research station at Mysore should study the problems of Coorg also.

#### **Scarcity Of Planting Material**

In many plantations, great difficulty is experienced in obtaining reliable planting material. Early arrangements should, therefore, be made to select suitable sites in the main producing areas and propagate seedlings and disease-free rhizomes so as to meet the requirements of all the planters. A Five-Year Nursery Scheme should be prepared and worked in this connection.

#### **Control Of Pests And Diseases**

Experiments conducted at Madras (Singampatti) and Bombay (Sirsi) have found out suitable remedies for controlling thrips and mosaic which take a heavy toll of the cardamom crop in India. The State Department of Agriculture should give wide publicity to these remedial measures and include these as important items of their extension work.

#### **Publish All-India Crop Forecasts**

The Central Government should, therefore, conduct pilot sample surveys to find out the normal yield in all the important producing areas and arrange to publish regular forecasts of areas and yield of this crop on an all-India basis.

#### **Increase Consumption In Upper India**

In order to enable the producers to sell at cheaper rates and to reduce the cost of distribution, it is recommended that specially reduced station-to-station rates should be charged by the Railways for transporting cardamom from the producing areas of South India to the distribution centres of Upper India.

#### **Publicity In Foreign Markets**

The important foreign markets for Indian Cardamom are the countries of the Middle East and Europe, particularly Saudi Arabia and Sweden. The India Government Trade Representatives concerned

and the Special Export Promotion Agency we have proposed in the case of pepper should give wider publicity to the better aroma and greater oil-content of the Indian cardamoms and take all possible steps to help sales promotion in these markets.

#### **Uniformity In Grade Standards**

In order to make price quotations comparable, it is necessary to frame standard grades and grade specifications on an all-India basis. Early steps in this direction should be taken under the Agricultural Produce (Grading and Marking) Act. These standards of quality should then be included in the trade contract terms.

#### **Premium For The Producers**

In view of the higher premium obtained for the better qualities of cardamom, it would be more remunerative for the producers if they could themselves undertake to grade the produce before taking it to the auction floors.

#### **Organizing Co-operative Marketing Societies**

The co-operative societies engaged in the marketing of cardamom, particularly those at Saklaspur and Mysore, were found to do useful work. For want of better storage and credit facilities the volume of business handled by these societies was comparatively small. The State Governments concerned and the Central Government should provide these facilities and thus encourage the formation of more co-operatives. The facilities may be in the form of loans and subsidies for the construction of warehouses and liberalization of the rules governing the issue of loans by the societies.

#### **Regulation Of Markets**

By standardizing the weights and various market practices and charges, under the provisions of the Regulated Markets Act, it should be possible to increase the margin of profit of the producers. Early steps in this direction should be taken by the State Governments concerned.

#### **Organize Market News Service**

There is need for organizing a market news service at least in all the important assembling centres with a view to enabling the producers to determine their selling price and derive the maximum benefit.

#### **Organization For Development**

The Central and Regional Committees proposed for the development of the pepper industry should also deal with the various measures which we have recommended above for developing the cardamom industry in India.

## **Ginger (Adrak):**

### **General Outlook**

Further expansion of India's foreign trade in this spice depends largely upon the improvement in the intrinsic quality and costs of Indian ginger.

### **Need For Starting New Research Stations**

Regional research stations should be opened in typical ginger-producing areas for evolving a better type of ginger having less fibre-content and finding out other improved agronomic practices.

### **Credit Facilities During Cultivation Season**

The Governments of the States concerned and the Central Government should assist in removing all credit restrictions in the working of co-operative societies and make available adequate production credit. There is considerable scope for expanding production if such seasonal credit facilities are provided.

### **Crop Estimates**

The forecasts of area and yield of the ginger crop do not include the figures for States like Uttar Pradesh where nearly 14,800 tons of green ginger equivalent to 2,960 tons of dry ginger are produced in nearly 4,000 acres. These and other producing States should be brought under the reporting regions and the forecasts made more comprehensive. It should, however, be stated in the forecast that the bulk of the local production is consumed as green ginger in most of the producing areas, and the conversion of green ginger into the dry form for export purposes is concentrated in the West Coast regions of Travancore-Cochin and Malabar.

### **Uniformity In Grade Standards**

To obtain price quotations on a comparable basis and create better confidence in the foreign buyers, it is necessary to frame suitable grade standards for this product on an all-India basis. Early steps in this direction should be taken under the Agricultural Produce (Grading and Marking) Act. These standards of quality should then be included in the trade contract terms which should also provide facilities for arbitration in India in case of disputes between the parties.

### **Trend Of Foreign Exports**

Although the post-war exports showed an increase over the pre-war period, recent exports have shown a decline particularly to the U.S.A., the U.K., Aden and dependencies and Iran. The causes of this decline and the scope for export promotion in these countries should be investigated by the Government of India Trade Representatives abroad.

## **Co-operative Marketing**

The co operative agency plays a very insignificant part in the marketing of dry ginger. The main difficulty that stood in the way of the development of some of these societies did not provide for adequate storage facilities. Necessary financial assistance should be given by the Central and State Governments to these co-operatives for the construction of warehouses in all the important marketing centres.

### **Regulation Of Markets**

The producers' share of the prevailing prices could be increased by extending the operation of the Regulated Markets Act to this article also in all important markets in the West Coast.

### **Fumigation At The Ports**

In order to reduce insect infestation in the products exported from India, arrangements should be made for their proper storage and fumigation at the ports of shipment.

### **Market News Service**

It is necessary to organize a Market News Service and disseminate up-to-date information regularly by means of radio broadcasts, bulletins, etc.

### **Organization For Development**

The Central and Regional Committees proposed for the development of pepper should deal also with the various measures which we have recommended above for developing the ginger industry in India.

## **Turmeric (Haldi) :**

### **General**

A detailed marketing survey should be conducted by the Central Government in order to assess all the problems concerning this industry.

### **Need For All-India Crop Estimates**

The Central Government should arrange to publish regularly all-India forecasts of area and yield of turmeric.

### **More Research Stations**

Except in Orissa, no systematic attempt has been made to develop the industry on scientific lines. There is an urgent need for improving the local varieties under cultivation and for finding out suitable remedies for seed diseases which are carried from season to season. Arrangements should therefore be made to start Turmeric Research Stations in all other typical producing areas. These stations should tackle all the problems of botanical and agronomic improvements

concerning this crop including problems of storage and control of stored products pests,

### Credit Facilities

Greater production credit should be made available to the cultivators through the co-operative agencies.

### Transport

In common with all other agricultural commodities, the marketing of this crop also suffers because of lack of suitable communications, particularly in the agency tracts of Orissa. Improvements in this direction are, therefore, necessary to open up the producing areas.

### Better Equipment For Curing And Polishing

The improved type of furnace evolved at Orissa has been found to be more efficient and economical in fuel consumption than the local type. The cured product when also polished by the equipment evolved in this State has fetched a premium of 20%. Greater use of these and similar equipment should be encouraged by the Agriculture Departments of the States concerned.

### Foreign Publicity

In all trade exhibitions organized by the Government of India in foreign countries, greater publicity should be given to this product in order to increase the offtake.

### Uniformity In Grade Standards

Turmeric has well-defined quality factors which are also recognized by the trade. These factors should be taken advantage of for framing uniform grades and grade standards under the Agricultural Produce (Grading and Marking) Act.

A sizable proportion of the turmeric trade takes place in the form of powder. As there are serious complaints regarding its quality, grades and grade specifications for this product also should be framed and an effort should be made to induce the trade to adopt these standards for internal distribution.

### Cashewnut (Kaju):

#### Main Problem

The immediate problem of the cashewnut processing industry is to reduce India's dependence on foreign imports by taking early steps to increase the supplies of raw cashewnuts within the country.

#### Increase Internal Supply Of Raw Cashewnuts

There are extensive lands available for cashew cultivation in the East Coast region of Madras, the coastal districts of Ratnagiri and North Kanara in the

Bombay State and parts of Coorg and Mysore. In all these regions, extensive cultivation of the crop on a plantation basis should be encouraged. The Forest Departments in the producing States should also encourage its spread and growth in all the reserve areas and arrange to collect the nuts along with other minor forest produce. Wherever possible, the Public Works Departments should also undertake to extend the cultivation of this crop in suitable lands under their jurisdiction. A Co-ordinated Ten-Year Plan (Cashewnut Plantation Scheme) should be prepared in this connection in consultation with the State Governments and put through expeditiously.

#### Greater Central Aid For Agricultural Research

Although sanction has been accorded by the Indian Council of Agricultural Research for the starting of three Regional Research Stations for cashewnut at Madras (Mangalore), Bombay (Ratnagiri) and Travancore-Cochin (Kottarakara), actual research work has not commenced in any of these regions, mainly due to lack of funds. Adequate funds should be made available by the Central Government, so as to enable the respective States to overcome the financial difficulties and start systematic scientific studies at these three research stations without any further delay.

#### All-India Crop Estimates

Except for what is given out by some of the leading business firms in the West Coast region, no attempt has been made by the Governments at the Centre or in the States to publish regular forecasts of the local production of cashewnuts, cashew kernels and cashew-shell liquid. Considering the size and value of the crop and the importance of the products as dollar-earners, it is necessary to maintain these statistics on an all-India basis.

#### Quicker Transport To The Factories

The movement of raw cashewnuts from the assembling centres or the ports to the factories has to be done quickly. The railway authorities should give greater facilities for the quick transport of raw nuts to the processing factories.

#### Government Assistance For Procurement Of Raw Nuts

The Government should give all assistance to the factory owners in regard to the procurement of raw nuts from foreign countries.

#### Standardizing Local Methods Of Marketing

As formation of Producers' Co-operative Societies is difficult in the case of cashewnuts, we suggest that the buyers in the primary and assembling markets should be licensed by the State Governments and the issue of

such licences should be subject to the condition that the licensee should buy only ripe and mature nuts and use standard weights in the transactions.

### **Adopting Better Methods Of Processing**

Out of the various methods of processing employed in the extraction of cashew kernels from raw nuts, the oil-bath method is more efficient. The cost of the equipment and installation charges are, however, heavy. Small owners of cashewnut factories should, therefore, combine themselves into recognized associations and necessary financial assistance should be given by the Governments to such associations in the form of loans for the setting up of such improved processing plants.

The Council of Scientific and Industrial Research should also take up for investigation the possibilities of evolving cheaper processing plants.

### **Uniformity In Grade Standards**

It will be helpful to the manufacturers and consumers if all-India standards of quality are framed for this product under the Agricultural Produce (Grading and Marking) Act and all price quotations are made on the basis of such standard qualities. These standards of quality should then be included in the trade contract terms also.

### **Regulation Of Quality**

In order to prevent development of worms in the cases shipped from India, factory owners should:

- (1) Pay greater attention to the environmental hygiene of the factory premises;
- (2) Use new tin containers for packing kernels; and
- (3) Adopt airtight packing.

### **Cashewnut Development Fund**

The Central Government should create a separate fund and earmark a lump sum of Rs. 25 lakhs for undertaking the various developmental measures stated above. The administration and control of this fund should also vest in the Central Committee which we have already proposed for developing the spice industry in India.

### **Indigenous Utilization Of Cashew-Shell Liquid**

Its distillation products can be used in various industries such as the manufacture of insulating varnishes, typewriter rolls, oil and acid-proof cold-setting cements, industrial flooring tiles and automobile break-linings. Wider publicity should be given to these uses in order to encourage greater utilization of this by-product by the indigenous industries.

### **Standardizing Quality Of Cashew-Shell Liquid**

All industrial uses of cashew-shell liquid presuppose

a uniform quality of the commercial product. The Indian Standards Institution has drafted some tentative specifications for this oil, which should be adopted by the manufacturers to put a uniform product on the market. By such standardization of quality, the exports of this oil to foreign countries are also likely to increase.

### **Publicity And Sales Promotion**

The special export-promotion agencies we have proposed in the case of pepper should undertake publicity work in respect of this product also in their respective areas.

Internally also, publicity is necessary to increase the demand for cashew kernels.

### **Amenities For Factory Workers**

Quite a large number of persons are employed by the Indian cashewnut industry. Although certain amenities such as fans, light, drinking water, nursery, etc., have been provided under the Factories Act, these were not found to be uniform or quite satisfactory in all the factories. Considering the difficult conditions and the nature of the work involved in processing, it is imperative that the standard of amenities provided in all these factories should be uniformly high.

### **Lemon-Grass Oil (Pull Thylam):**

#### **General Outlook**

Although India is the largest supplier of lemon-grass oil in the world markets, the total demand for this Indian product has declined since last year. This is attributed partly to larger supplies received from Guatemala and partly to the curtailment of demand from the manufacturers in America and other foreign countries. Unless steps are taken to find alternative uses for this oil in India, the prospects of this Indian industry are not bright.

#### **Commercial Manufacture of Ionones**

A pilot plant should be set up in Travancore-Cochin State and early arrangements made for the commercial manufacture of ionones and other products. The Central Government should subsidize this project and encourage the use of these manufactured products in the Indian industries.

#### **Adequate Supply Of Red-Stemmed Grass Seeds**

The cultivation of lemon-grass is simple and presents no difficulty but in most of the fields the cultivated variety of red-stemmed grass is often found mixed with a white-stemmed variety which yields an inferior quality of oil. In order to prevent such admixtures, adequate arrangements should be made for the supply

of sufficient quantities of seeds of the red-stemmed grass. The Lemon-Grass Research Station at Odakkali, Travancore-Cochin, which has facilities for the cultivation of this grass, could be entrusted with arrangements in this connection.

#### Need For Improved Type Of Country Still

The present type of country stills used in India for the distillation of oil is crude in design and construction and involves considerable wastage. It has been found that by adopting steam distillation both the total recovery and the quality of the oil could be increased by about 20%. In order to reduce the costs of extraction and to improve the quality, there is need for evolving an improved type of equipment in the producing areas for the distillation of oil from lemon-grass. The Governments of Travancore-Cochin and Madras and the Central Government should take early steps in this direction and arrange to supply improved type of stills to the producers on a subsidized basis.

#### Mutual Allowances For Quality Of Oil

Although Indian lemon-grass oil contains up to 85% citral, the shippers are asked to guarantee only a minimum of 75% citral-content in their consignments under the present shipping contract terms. This provision encourages adulteration and also unnecessarily brings down the reputation of the Indian product. The producers are also not able to realize the premium for the better quality of their products. The trade contract terms should, therefore, be amended so as to guarantee a minimum citral-content of 75% and provide for payment of premium for any higher citral-content above 75%. The Indian Standards Institution has prescribed minimum standards of quality for Indian lemon-grass oil. These standards should be suitably amended under the Agricultural Produce (Grading and Marking) Act so as to provide mutual allowances for quality as stated above on the basis of citral-content.

#### Preventing Export Of Sub-standard Qualities

Necessary arrangements should also be made to prevent the export of sub-standard qualities for India under the provisions of the Central Sea Customs Act.

#### Co-operative Marketing

The extraction and marketing of the oil is all done by a small number of producers. Greater economies could be effected in installation charges and manufacturing costs if they could combine themselves into co-operative marketing societies.

Such societies should own laboratories for the regular testing of the oil and its correct determination of citral-content and other quality factors. Necessary facilities should be given by the Governments at the Centre and in the States in organizing such co-operatives.

#### Uniform Weights And Measures

Arrangements should be made to adopt uniform weights and measures and also to regulate the marketing of this product under the Regulated Markets Act.

#### Maintenance Of Statistics

Reliable statistics of acreage under lemon-grass or of the supply of oil are not available in the different producing States. The Governments of Travancore-Cochin and Madras which are the most important producers of this oil should arrange to collect this information and regularly publish it in their Season and Crop Report.

#### Market News Service

Very little reliable information regarding supply, stocks, demand and prices of this oil filters down from the exporters to the producers in the village markets. The need for such commercial intelligence exists greatly in Travancore-Cochin and Malabar. The Governments of the respective States should arrange to disseminate such news regularly in the rural markets through bulletins and broadcasts from the regional stations of All India Radio.

#### Organization For Development

The Central and Regional Committees for spices proposed in the case of pepper should function also for carrying out the various measures which we have recommended for developing the lemon-grass oil industry in India.

# RAILWAY FUEL ECONOMY ENQUIRY COMMITTEE, 1951—REPORT

New Delhi, Railway Board, 1953. 2 Vols.

Chairman : Shri Darab Cursetji Driver.  
Members : Shri R. A. Massey; Dr. J. W. Whitekar;  
Shri A. B. Guha; Shri L. S. Corbett.  
Co-opted  
Members : Shri P. L. Verma; Shri I. S. Malik.  
Secretary : Shri M. V. Kamrani.

## APPOINTMENT

The Railway Fuel Economy Enquiry Committee was constituted under the Ministry of Railways vide their letter No. E 51C01/11/3 dated October 27, 1951.

## TERMS OF REFERENCE

- (i) To examine the supply, consumption and reserve stocks of coal on Railways; and
- (ii) To make recommendations for economy in expenditure on coal used as fuel.

## CONTENTS

Volume I : Part I—The Railway Fuel Problem and the Committee's Recommendations; The Railway Fuel Problem; Summary of Recommendations; Part II—Coal Resources of the Country—Coal Reserves, Production and Demand; Grading and Pricing of Coal; Preparation of Coal; Lignite or Brown Coal; Part III—Supply and Transport—Loco Coal Requirements and a Rational Basis of Assessment; Existing Conditions of Supply and Distribution of Loco Coal; Proposed Plan for Supply and Distribution of Coal; Plan for Supply of Coal to the South; Transport Deficiencies; Part IV—Fuel Economy Measures—Economy in Consumption and Prevention of Losses; Fuel Accounts and Statistics; Different Types of Railway Traction; Power and Fuel Research; Fuel Control Organizations and Training Centres. Volume II: Appendices.

## RECOMMENDATIONS

### Production Of Coal

Immediate steps should be taken to develop the outlying fields, particularly in Vindhya Pradesh, Madhya Pradesh and Hyderabad State, in order to meet as far as practicable the requirements of Western and Southern India and a part of Rajasthan. Northern India and the rest of Rajasthan may draw upon the coalfields of Bengal and Bihar.

The lignite resources in South Arcot, Madras, should be developed without delay.

Coal production in the Assam and Orissa States should be such as will meet the requirements of these

States; special qualities of coal, however, may be obtained from outside sources.

Production of high-grade non-caking coal should be increased in the Raniganj and Karanpura coalfields in order to release caking coals for (a) metallurgical purpose and (b) feeding the export market.

Government collieries at Kurasia, Deulbera and Talchar should be developed and extended by acquiring new areas without delay, wherever possible.

Properties should be immediately acquired and Government Mines opened up in the Karanpura and Korba Coalfields.

### Grading And Pricing Of Coal

An official Committee under the Coal Board should be appointed immediately to examine in detail new proposals for coal grading and pricing. The Fuel Research Institute and the Ministry of Railways should be represented in this Committee.

Prompt steps should be taken to grade the coals of the outlying fields.

Arrangements should be made to ensure continuous testing at pitheads (by Collieries) of the quality of coal loaded.

### Preparation Of Coal

Different types of Pilot Washing Plant should be installed at the Fuel Research Institute without delay to obtain evidence on the most suitable and economical types of coals of different washability characteristics.

The Government should take steps to explore the possibilities of coal washing and to set up Washing Plants at selected sites.

### Lignite Or Brown Coal

High priority should be given by the Government to the mining and exploitation of the South Arcot lignite and to the establishment of thermal generating plant and industries in the vicinity of mines.

Steps should be taken to draw upon the experience and knowledge of Brown Coal mining in Germany, where the problems of water infiltration and handling have been solved.

Selected Mining Engineers from India should be sent to gain experience of the methods employed in working the Brown Coals of Germany and Australia.

Research should be undertaken into:



(a) The best method of using the lignite in locomotives (including Gas Turbine type) and in industrial plants; and

(b) Problems of Briquetting, Gasification, Carbonization and Hydrogenation.

#### Loco Coal Requirements

Loco coal requirements should be estimated on the basis of the suitability of each grade of caking or non-caking coal for different categories of locomotives, adjustments being made for accepting inferior coals from nearer sources.

Efforts should be made to exclude from the future Loco Coal Programmes, as far as transport permits, coals whose calorific value is below 11,500 HTU/LB.

The use of low-grade coals (calorific value below 11,500 HTU/LB) on shunting locomotives should be gradually discontinued; districts or zones which receive supplies of coal over long leads should receive prior attention.

#### Existing Supply Conditions:

##### Quality

Efficient control is exercised on the quality of coal so that supplies made to Railways are in accordance with the specifications.

##### Supply And Grouping

Districts or zones of a Railway receive coals from fixed sources, a source being either a group of collieries or a single colliery. The collieries selected to form a group should be on the same "Pilot". They should be chosen so that the mixing of their coals may be done without causing combustion trouble. The quantities drawn from each group towards Railway supplies should be guaranteed in advance.

##### Distribution And Grouping

As far as practicable, coal for any consuming point on a Railway should be obtained from the nearest group source. The group and the connected base station are such as will permit the movement of coal to districts or zones without entailing much marshalling at base stations (and en route) and without involving cross movements.

##### Future Loco Coal Supplies

The Railways should in future select their own coals by inviting offers from collieries and by arranging for supplies on contract basis.

A Standing Loco Coal Committee should be set up to undertake all work connected with the framing of Loco Coal Programmes, inviting offers from collieries, for scrutiny and acceptance, allocation of their approved offers according to the supplies and transport available. The Committee should consist of representatives of Railways, the Ministry of Railways and the Coal Com-

missioner. The Chairman of the Railway Board or his nominee may act as Chairman and the Chief Mining Engineer, Railway Board, as Member Secretary of the Standing Loco Coal Committee.

In order to simplify and rationalize transport and to ensure regular and reliable supplies of coal to Railways, steps should be taken to introduce the system of grouping collieries, with distributing centres to serve as primary receiving points in respect of supplies to Railway Zones.

#### Supply Of Coal To The South

Wagons should be loaded to the maximum permissible degree.

To meet the fuel requirements of the South, the Government should give priority to the development of Talcher, Singareni and CP/CIC coalfields.

The Ministry of Railways should immediately undertake the development of the junction yards and line capacities along the rail routes from the abovementioned outlying fields to the South.

#### Transport Deficiencies

A "Standing Coal Transport Planning Committee" should be set up, consisting of the representatives of the Ministries of Railways and Production and of the Planning Commission, to undertake necessary planning in respect of coal transport, and to ensure that due importance is given to coal (and other goods) transport in the economic development of the country.

Wagon turn-round and carrying capacity should be improved by:

(a) Allocating coal orders colliery-wise and pilot-wise in order to form block loads. The colliery and consuming areas should be in zones and rationally linked up to afford movement of block loads along specified directions.

(b) Ensuring that wagons are fully loaded to the carrying capacity and that full use is made of the two-ton overload allowance. For the purpose the Measuring Gauge, shown in Appendix 20, or a similar device should be adopted.

(c) Removing transport "bottlenecks" and improving line capacities as recommended in the short-term and long-term plans.

The existing practice of allocating coal orders and wagons should be modified to give effect to regional distribution of coal as far as possible, and to incorporate the following features:

(a) Allocation of coal orders on the basis of wagon availability.

(b) Linking of supplies with specified supply sources and colliery base stations.

(c) Advance programming of public supplies on a quarterly or half-yearly basis.

(d) Provision of a "cushion" of 200 wagons daily

for the Bengal and Bihar coalfields and 50 wagons daily for other coalfields to meet emergency demands, the allotment of this number being left to the discretion of the Coal Commissioner.

A Railway Officer of senior administrative rank (director) should be immediately appointed and housed in the office of the Coal Commissioner. He should function as Liaison Transport Officer and make day-to-day allotment of wagons in collaboration with the Coal Commissioner.

#### Control Over Consumption And Losses Of Railway Coal

More attention should be given to provide proper stacking facilities and stacking ground and to the adequate stacking of all supplies as a check on consumption and pilferage.

Immediate steps should be taken to set up a machinery for giving effect to the proposed economy measures, which can be broadly divided into:

- Control over consumption; and
- Power and fuel research.

The control measures should be the function of the fuel control organization, and power and fuel research should be the concern of the Railway Testing and Research Centre, working in collaboration with the Fuel Research Institute.

#### Fuel Accounts And Statistics

Examine the report of the Chartered Accountants in the light of the Committee's remarks with a view to evolving a simple and effective system of fuel accounts for adoption on all the Indian Railways.

Enlarge the scope of railway fuel statistics so that the effects of various direct and indirect factors affecting coal consumption are adequately brought out by the statistical figures.

#### Different Types Of Traction And Power And Fuel Research

Electrification of the undermentioned sections should be given consideration:

Railway	Section to be electrified	Route Miles
Eastern	Suburban Services	
	Howrah Division	151
	Sealdah Division	138
	Main Line	
	Burdwan-Gaya	242
	Gaya-Moghalsarai	126
Central	Igatpuri-Bhusaval	192
	(Extension of the present Electrified Section—Bombay-Igatpuri)	
Southern	Quilon-Ernakulam	96
	Madras-Trichinopoly	358

	Madras-Bangalore	222
	Madras-Bezawada	268
Western	Virar-Ahmedabad	271
	(Extension of the present Electrified Section—Bombay Central-Virar	
Northern	Delhi-Ambala	123
		2,187

Steps should be taken to introduce:

- Diesel traction on the Saurashtra Section (Gondal Division) of the Western Railway;
- Diesel light railcar services on suitable Sections; and

- Diesel power for shunting services.

Power and fuel research should be enlarged and intensified to:

- Establish the reliability, in operation and maintenance, of design improvements in order to expedite their incorporation in future Steam Locomotives;

- Develop other types of locomotive power to meet the growing traffic requirements of the country most efficiently;

- Develop designs of gas producers, using coal or coke, for ratings up to 400/500 H.P. in order to give impetus to dieselization of railcar and shunting services;

- Investigate the possibilities of using lignite in steam locomotives and in gas turbines;

- Develop designs of combustor and heat-exchanger suitable for Indian coals, to facilitate the adoption of external combustion gas-turbine locomotives; and

- Determine the performance and advantages of the high-tension 50 cycle A.C. system for electric traction.

Early action should be taken to set up a "Standing Railway Power and Electrification Planning Committee", consisting of representatives of the Ministry of Railways, the Planning Commission, and the Central Water and Power Commission, for:

- Ensuring co-ordination among the authorities responsible for industrial, power, transport, fuel and other national developments;

- Initiating, scrutinizing, and recommending the execution of railway electrification and dieselization schemes in a specified order of priority; and

- Examine the possibilities of indigenous manufacture of machinery and components to meet the maintenance requirements of electric, diesel and other types of traction.

#### Fuel Control Organizations And Training Centres

Immediate setting up of:

- Six regional fuel control departments,
- A central fuel directorate,
- Six regional training schools, and
- A central training school.

1952

## GROW MORE FOOD ENQUIRY COMMITTEE, 1952—REPORT

New Delhi. Ministry of Food and Agriculture, 1952. 128p.

Chairman : Shri V. T. Krishnamachari.

Members : Shri R. K. Patil; Hon'ble Shri M. P. Patil; Hon'ble Shri Dip Narain Sinha; Pandit Thakurdas Bhargava; Shri Tribhuvan Narain Singh; Dr. Mono Mohon Das; Dr. V. K. R. V. Rao; Dr. B. Venkataratnam; Sardar Datar Singh.

Secretary : Shri S. T. Raja.

### APPOINTMENT

The Grow More Food Enquiry Committee was constituted under the Ministry of Food and Agriculture vide their Resolution No. F.1-2/52-GS(P) dated February 8, 1952.

### TERMS OF REFERENCE

(i) To examine the categories of G. M. F. schemes for which funds have been sanctioned and the extent to which the utilization of the funds has been in conformity with the intended purposes;

(ii) To assess the relative efficiency of the different

categories of schemes for increasing food production in the context of the available means and the prevalent agricultural practices, particularly with respect to the use of fertilizers, compost and improved seeds, and taking into account the lag between the grant of money and the actual production of the crop;

(iii) To enquire whether the follow-up arrangements for demonstrating and teaching the cultivators have been properly organized in the areas in which G. M. F. funds have been spent;

(iv) To examine whether the results achieved by the G. M. F. campaign since April 1, 1949, in terms of units of work, acreage benefited and increased food production over a specified base figure have been commensurate with the scale of expenditure involved;

(v) To suggest measures for ensuring the optimum utilization of the available production requisites by the cultivators and for checking up on the actual expenditure of money and the results achieved; and

(vi) To examine and report on any other matter germane or incidental to the above.

## CONTENTS

Introductory; The Food Problem; Progress of G. M. F. Campaign (1943-44 to 1950-51); G. M. F. Campaign (1951-52 and 1952-53); Results of the Campaign; Terms of Reference; Our Proposals Regarding Future Policy; Summary of Conclusions and Recommendations; Appendices I to XI.

## RECOMMENDATIONS

The present G.M.F. Campaign should be enlarged so as to cover a wider plan for development of village life in all its aspects. This is a permanent problem.

The administrative machinery of the Governments should be reorganized and equipped for the efficient discharge of the duties imposed on it, under the new conception of India as a Welfare State.

The best non-official leadership available should be mobilized for guiding the rural families in their efforts to improve their own condition.

An extension organization should be set up for rural work which would reach every farmer and assist in the co-ordinated development of all aspects of rural life.

The Taluq or "Tahsil" consisting of 100 to 120 villages will be the development block and the unit best suited for extension service. Below it there would be a group of villages, five to 10 in number, and then the village itself.

The extension work in the Taluq will be in the charge of the Development Officer or "Extension Officer" who will be the Revenue Officer. This officer will be relieved of his other duties by a special assistant appointed for the purpose. The "Extension Officer" will be assisted by four technical officers for agriculture, animal husbandry, co-operation and engineering. This organization will function as a team.

The "Extension" organization should be spread all over the country within the shortest practicable time, not exceeding 10 years.

For associating the non-official leadership with the schemes of village development, any of the existing village organizations, e.g., panchayat, multi-purpose co-operative society, or the village production council, may be utilized. When such organizations do not exist necessary steps should be taken to set them up.

The development activities in the district should be unified under the Collector as "Extension Officer" assisted by the specialist officers.

At the State level there should be a Cabinet committee, and a non-official Board for formulation of co-ordinated policies and for facilitating joint action.

At the Centre, there should be an Advisory Council for village development which should include representatives of the Central Ministries concerned, of some of the State Governments and of Parliament and also

selected non-officials with special experience or qualifications.

Financial assistance from the Centre will be necessary to enable the States to set up the "Extension" service.

Loans advanced to cultivators should as far as possible be made through approved co-operative societies.

As large a portion as possible of the available funds should be earmarked for permanent works of utility. Subsidies should be reduced and eventually abolished.

The role of the Government of India should be co-fined to:

(a) Formulation of overall policies and co-ordination of programmes of village development including targets of additional production;

(b) Giving of financial and technical assistance;

(c) Making arrangements for supplies and movement of essential materials; and

(d) Assessment of results of the programme.

A Special Division in the Central Ministry of Food and Agriculture should deal with these functions with regard to the entire programme.

Surveys should be undertaken in all States of areas suitable for minor irrigation, tanks, wells, tubewells, etc., and details of programmes should be formulated in the order of priority.

As between the different permanent schemes, prominence should be given to schemes of minor irrigation.

Before undertaking the land reclamation programme on a large scale, systematic surveys of areas suitable for the purpose should be undertaken.

Adequate steps should be taken to ensure that follow-up cultivation is undertaken on lands reclaimed by the Central Tractor Organization.

The land reclamation and mechanical cultivation schemes of the State Governments should be worked on a self-financing basis.

Facilities for repairs, spare parts and servicing in respect of tractors should be made available to the cultivators close at hand to ensure the success of mechanical cultivation.

Adequate numbers of seed farms should be established for providing nucleus seeds.

It is important to ensure that seeds are made available in time and are of good quality.

There is much scope for increasing the use of green manures, especially in irrigated paddy areas, and more efforts should be made to popularize them.

There should be continuous efforts made to develop local manurial resources to the maximum extent.

State Governments should undertake responsibility for dealing with widespread pests and diseases promptly.

ly. As regards stray cattle the main difficulty is regarding useless cattle which are not claimed by their owners. The only remedy for this appears to be the starting of Gosadans.

Crop competition schemes are very important and should be continued and extended.

More attention should be paid to problems of dry farming in areas of inadequate rainfall.

The Government of India should make a declaration accepting the principle of guarantee of minimum prices, as this will provide an incentive to agricultural production.

## COMMITTEE ON TRAINING OF CIVIL AIR PILOTS, 1952—REPORT

Delhi, Manager of Publications, 1952. 312p.

Chairman : Shri M. A. Master.

Members : Shri T. P. Bhalla; Group Capt. H. N. Chatterjee; Rai Bajrang Bahadur Singh; Shri K. K. Roy; W/Cdr. W. H. Burbury; Capt. S. Bujakowski; Prof. C. N. Vakil.

Secretary : Shri G. S. Subramaniam.

### APPOINTMENT

The Committee on Training of Civil Air Pilots was constituted under the Ministry of Communications vide their Order No. 14-A/25-52, dated April 15, 1952.

### TERMS OF REFERENCE

To examine the existing system of civil air pilots' training in all its aspects and recommend measures for its improvement consistent with economy, with particular reference to the following:

#### I. Training Of Commercial Pilots

(a) Qualifications, number and method of selection of trainees;

(b) Organization of institutions for training of commercial pilots—study of the working of the Civil Aviation Training Centre and proposals for its improvement;

(c) Legislation pertaining to commercial flying;

(d) Curricula for the training of commercial pilots, of various grades, namely, Junior airline pilots, Command pilots and Co-pilots for single-engined, twin-engined and multi-engined aircraft;

(e) Training for special types of aircraft and special types of work, e.g., helicopters, aerial survey and spraying of chemicals;

(f) Standardization of training aircraft and equipment;

(g) Scheme for financial assistance for training of commercial pilots—incidence of costs on pilots, airlines and the Government;

(h) Ensuring operational efficiency of pilots—system

of periodical checks and refresher courses, laying down of conditions for avoidance of fatigue of air crew;

(i) Qualifications for check pilots and instructors for conversion courses and their periodical checks;

(j) Standardization of scales of pay of different grades of pilots, check pilots and conversion course instructors;

(k) Liability of airline pilots to serve under the Statute, if required.

#### II. Training Of Private Pilots

(a) Qualifications, number and method of selection of trainees;

(b) Evaluation of flying clubs and other agencies for the training of private and commercial pilots and recommendations for organization of Model Institutions, giving details of organization and equipment;

(c) Legislation pertaining to private flying;

(d) Curriculum for the training of private pilots;

(e) Standardization of training aircraft and equipment;

(f) Scheme for financial assistance for training private pilots, including concessions in Customs duty on light aircraft, aircraft parts, light aircraft radio, landing and housing fees and duty on aviation petrol;

(g) Qualifications of Flight Instructors and other staff engaged in flying training institutions;

(h) Scales of pay for Flight Instructors and other staff employed in the training institutions;

(i) Encouragement of private flying generally, and in particular by students of colleges and technical institutions.

#### III. Gliding And Other Media For Encouraging Air-mindedness Among The Young.

#### CONTENTS

Part I: Introductory; Flying Club Movement in India; Civil Aviation Training Centre, Allahabad; Legislation pertaining to the licensing of Private and

Commercial Pilots; Operational Efficiency; Policy of Recruitment and Training; Cost of Training and Responsibility of the State; Future role of the Flying School at the Civil Aviation Training Centre; Flying Activities of the Air Wing of the National Cadet Corps; The Future of the Flying Clubs; Problem of Unemployment; Civil Air Board; Miscellaneous Matters; Development of Gliding in India; Development of Air-mindedness; Financial Implications of the Recommendations; Summary of Recommendations; Acknowledgments.

Part II: Appendices A to G; Statistics.

Part III: Observations of Shri T. P. Bhalla on the Terms of Reference of the Committee on Training of Civil Air Pilots.

## RECOMMENDATIONS

The pilots in charge flying and co-pilot flying engaged in scheduled air transport services should undergo two to four hours' refresher flying training respectively every six months. These hours should include the flying tests prescribed for the renewal of the instrument rating. These flying tests will be carried out by the Check Pilots appointed by the company for that purpose.

The Government should persuade the airline operators in the country to voluntarily restrict the maximum number of hours up to which they should allow their pilots to fly to 100 hours per month and 1,000 hours per year.

Training for Private or Sport flying should be continued to be given at flying clubs in the future as in the past. No restriction should be put on those who wish to undergo training for obtaining a Commercial Pilot Licence at their own cost, and we recommend that they may be given such training at flying clubs.

The maximum number of pilots who should be trained as Commercial Pilots per year for absorption in the air transport industry should not be more than 30.

With a view to developing Sport flying and to spread air-mindedness in the country, a person under 28 years of age, irrespective of his nationality, undergoing flying training at flying clubs, should not be charged more than Rs. 10 per hour for every hour flown to enable him to obtain his Private Pilot Licence and for five hours' flying experience which he will require to keep his licence current.

The conversion training on aircraft other than Dakota should be continued to be given in the future by the airline companies or by the merged Corporation, as the case may be, as in the past, but the cost incurred for such training should be met by a subsidy from the Central Government.

Flying clubs are a great storehouse of enthusiasm and inspiration for drawing out the potential air sense of the people of the country. We, therefore, strongly recommend that all possible steps should be taken to keep flying clubs alive and in full vigour in the country in the future, as in the past.

The Central Government and the States should continue in the future their policy of subsidizing flying clubs in India.

The trainees should not be given the right to vote as long as they are trainees.

The Flying Instructors should undergo a course of regular training for the purpose of ensuring a uniformity of standard at the Flying Instructors' School of the Air Force at Ambala, and it should be a condition of their employment that they should undergo periodically a refresher course and a categorization test at that school.

Pupils undergoing training for Private Pilot's Licence or for Commercial Pilot's Licence should neither be under an obligation to sign agreements nor be subjected to restrictions and penalty as are imposed on them at present.

Anyone who is medically fit and shows an aptitude for flying should be admitted to flying clubs by their managements. The number of cadets to be admitted for training to the clubs should be such as would not increase the flying work of the clubs beyond 4,500 hours per annum.

The Light Aircraft not exceeding a gross weight of 5,000 lbs., aircraft parts and light aircraft radio imported for the purpose of training in India should be exempt from Customs duty.

As a matter of principle privately owned aircraft as well as flying club aircraft not exceeding a gross weight of 5,000 lbs. should be exempt from the payment of the Landing and Housing Fees at all airports when they are engaged in Sport or Pleasure flight.

The Flying School at the Civil Aviation Training Centre should not be continued on an experimental basis, year after year. The Flying School should be made a permanent institution for giving training to pilots who intend to follow a professional career in the air transport industry in India.

The Flying School at the Civil Aviation Training Centre should be equipped and developed in such a manner as may enable it to give training on the best modern lines. We recommend that a Civil Air Board should be constituted as a statutory body. The Board shall consist of the following members:

(1) A non-official Chairman of standing in public life and preferably with knowledge and experience of educational activities in the country;

(2) A representative of the Air Headquarters;

(3) The Director-General of Civil Aviation or his representative;

(4) Two representatives of the Air Transport Association or two representatives of the new Air Corporation when it is formed, one of whom shall be a man possessing knowledge and experience of technical subjects;

(5) A pilot of outstanding ability and experience;

(6) A representative of flying clubs;

(7) A Member of Parliament.

We recommend that the free grant of land and the financial assistance which the Aero Club has asked

for to enable it to have its own office with qualified and adequate staff, an ante-room, a reference library, and residential accommodation for five to 10 visiting members should be given to it to enable it to achieve its object.

As gliding will promote air-mindedness amongst the youth of the country, both the Central and the State Governments should develop gliding activities in India.

Gliding clubs should be started under the auspices of all the Universities in the country and the students of Colleges should be given training in gliding free of cost.

## DEARNESS ALLOWANCE COMMITTEE, 1952—REPORT

Delhi, Manager of Publications, 1953. 56p.

Chairman : Shri N. V. Gadgil.

Members : Shri S. Guruswami; Shri Khandubhai K. Desai; Shri J. Dayal; Shri P. N. Saxena.

Secretary : Shri S. K. Majumdar.

### APPOINTMENT

The Dearness Allowance Committee was constituted under the Ministry of Finance vide their Resolution No. F.6(2)-E-II/52 dated July 15, 1952.

### TERMS OF REFERENCE

Taking into consideration the rates of dearness allowance that have been sanctioned to date for Central Government servants, and the level at which the cost-of-living index is likely to stabilize in the foreseeable future, to recommend the percentage of the dearness allowance now given to Central Government servants which should be allowed to be treated as pay for all purposes in future, provided that by doing so the present total of pay and dearness allowance is not enhanced.

### CONTENTS

Introductory; Cost-of-Living Index; Pay and Dearness Allowance of Central Government Servants; Consideration of the Question of Stabilization in the Cost of Living; Recommendation as regards portion of Dearness Allowance to be treated as pay; Other Recommendations; Minute of Dissent; Appendices.

### RECOMMENDATIONS

Recommendation As Regards Portion Of Dearness Allowance To Be Treated As Pay

We find that for the index figure of 265, the Central Pay Commission's formula allows Government emp-

loyees in the lowest pay group a dearness allowance of Rs. 20 and this amount remains unchanged until the cost-of-living index goes above the index of the rent slab, i.e., 285. We, therefore, consider that for employees in this pay group, a sum of Rs. 20 which represents 50% of the present dearness allowance of Rs. 40 p.m. should be treated as pay.

As regards the higher pay groups, we have considered the percentage of the dearness allowance that should be treated as pay and also the highest pay range up to which this should be applied.

Our recommendation should apply to those in receipt of a pay not exceeding Rs. 750 p.m.

As regards the quantum of dearness allowance to be treated as pay, the largest measure of benefit should be given to those in the lowest pay group. We find, however, that the dearness allowance given at present to the higher pay groups already bears a diminishing percentage to the pay. We also observe that although the employees in the lowest pay groups were given an increase in dearness allowance in the past, those in the higher pay groups either received no increases at all or, up to certain pay limits, only a proportionately small measure of increase. Taking these factors into account, we recommend that the same percentage, as applied in the lowest pay group, should also be applied to employees in the higher groups up to a pay of Rs. 750 p.m., namely, that 50% of the dearness allowance drawn at present might be treated as pay.

We have observed that the Government accepted the grant of dearness allowance at the rates suggested by the Central Pay Commission for the index figure of 285. In accordance with the Pay Commission's formula, these rates would continue to hold good until the index figure reached 305. When the cost-of-living

index crosses this figure and prices started rising, the Government found itself able to grant dearness allowance in accordance with the Central Pay Commission's formula. To alleviate the hardship caused to its employees, it gave two *ad hoc* increases in the dearness allowance to those in receipt of pay not exceeding Rs. 300. The representatives of various unions who gave evidence before us stressed that these *ad hoc* increases were both inadequate (according to the Pay Commission's formula) and belated. They also argued that the *ad hoc* increases should not be reduced. In the event of a fall in the cost of living, a reduction in the dearness allowance seems unavoidable. However, we feel that a reduction should come about only when the fall in the cost of living is fairly substantial and is not purely of a temporary nature. This would afford a certain degree of stability even in the fluctuating element of their emoluments and would give them a reasonable sense of security. Having regard to the circumstances in which the *ad hoc* increases were given, we would recommend that these *ad hoc* increases should not be reduced until the All-India Cost of Living Index reaches the figure of 305.

#### Other Recommendations

The purposes for which the approved percentage of the dearness allowance should be treated as pay are indicated below:

##### (a) Retirement benefits:

(i) Subscription to the Contributory Provident Fund, the Government's contribution thereof and the Special Contribution.

##### (ii) Pension and gratuities.

It has been urged before us by the Central Government employees who are on the verge of retirement that the full pensionary benefit arising from our recommendations should be made available to them. We have been told that as the pension is calculated on "Average Emoluments" (as defined in the Pension Rules) relating to the period of three years before retirement, the full benefit of treating a portion of dearness allowance as pay will be felt in pension only after a period of three years from the date from which this measure is given effect to. We recommend that the "Average Emoluments" should first be calculated under the normal pension rules (excluding for the purpose of such calculation the element of dearness allowance that is treated as pay), and the following should be added:

"After determining the dearness allowance in respect of an amount of pay equal to the 'Average Emoluments', and taking 50% thereof as representing the portion to be treated as pay,

(i) Half of such portion should be taken for addition to the Average Emoluments for those retiring

within one year from the date from which the recommendations are given effect to, and

(ii) The whole of such portion should be taken for addition to the Average Emoluments for those retiring in the second or third year after the date from which the recommendations are given effect to."

##### (b) Travelling Allowance.

##### (c) Compensatory Allowance.

##### (d) House Rent Allowance.

It has been brought to our notice, however, that Government servants in Group "C" towns who are not provided with Government quarters and who are in receipt of pay not exceeding Rs. 100 p.m. and who are entitled to a house rent allowance of Rs. 7 p.m. would stand to lose in cases where their pay together with the portion of dearness allowance to be treated as pay exceeds Rs. 100 p.m. We have considered this matter and feel that while it would be correct to determine the house rent allowance on pay plus the portion of dearness allowance to be treated as pay, we would recommend that in the case of an employee who is in receipt of house rent allowance on the date on which our recommendation is given effect to, any immediate drop in emoluments caused by the inclusion of the appropriate portion of the dearness allowance as pay should be protected by the grant of a personal allowance which will be absorbed in increases in emoluments consequent on the drawal of increments, promotions, etc.

(e) Recovery of house rent from Government employees in occupation of Government quarters.

In order to prevent a sudden drop in the net emoluments of an individual who is occupying Government quarters on the date on which our recommendations are given effect to, we could recommend that the additional amount of house rent to be charged on such portion of the dearness allowance as is treated as pay should be limited to 5% instead of the usual 10%. This personal concession will cease either on promotion or on an individual becoming entitled to Government quarters of a different class.

(f) Computation of leave salary: We recommend that for purposes of computing the leave salary, the average pay, half average pay, etc., should be calculated as at present on the basic pay (i.e., excluding the element of dearness allowance to be treated as pay) and the dearness allowance should then be determined on the amount of average pay, half average pay, etc., so arrived at.

There are a few service conditions which are peculiar to the employees of certain departments and they require special mention:

##### (a) Piece Workers in Ordnance Factories.

(b) Railway employees who are in receipt of grain-shop concession: They should be eligible to all the



concessions as if they were in receipt of full dearness allowance in cash.

(c) Railway employees who are in receipt of Educational Assistance: In the case of an employee who is in receipt of educational assistance on the date from which the recommendations are given effect to, the amount of educational assistance admissible shall, as a personal concession, be based on his basic pay (i.e., excluding the portion of dearness allowance treated as pay) till such time as his basic pay exceeds the upper

limit of the slab in which he is on the relevant date. When the limit referred to is exceeded, the portion of dearness allowance treated as pay shall be taken into account with the basic pay for regulating the grant of educational assistance.

(d) Running allowances to traffic and loco running staff on Railways: We recommend that the portion of dearness allowance which is to be treated as pay should not affect the determination of the rates of running allowance under the old Running Allowance Rules.

## DAMODAR VALLEY CORPORATION ENQUIRY COMMITTEE, 1952—REPORT

New Delhi, Ministry of Irrigation and Power, 1953. 152p., Map.

Chairman : Shri P. S. Rau.

Members : Shri V. D. Dantiyagi; Shri S. B. Capoor  
(replaced by Shri B. N. Lokur); Shri G.  
R. Garg.

Secretary : Shri B. D. Nanda.

### APPOINTMENT

The Damodar Valley Corporation Enquiry Committee was constituted under the Ministry of Irrigation and Power vide their Resolution No. DW.10 dated September 20, 1952.

### TERMS OF REFERENCE

To examine and make recommendations on:

(i) Land reclamation and rehabilitation works undertaken by the Damodar Valley Corporation;

(ii) The changes in the design and construction features of the Konar and Tilaiya Dams; the award of contracts and the rates for various items of works;

(iii) The planning and purchase of stores and equipment for works on the Damodar Valley Corporation and the procedure therefor;

(iv) The appointment of a Chief Engineer for the Damodar Valley Corporation;

(v) The adequacy of the Damodar Valley Corporation Act, 1948, and the organizational set-up of the Corporation.

### CONTENTS

Introductory; Historical; Land Reclamation and Rehabilitation Works Undertaken by the Damodar Valley Corporation; The Changes in the Design and Construction Features of the Tilaiya Dam; The Planning and Purchase of Stores and Equipment for Works on

Damodar Valley Corporation and the Procedure Therefor; The Appointment of a Chief Engineer for the Damodar Valley Corporation; The Adequacy of the Damodar Valley Corporation Act, 1948; Organizational Set-up of the Damodar Valley Corporation; Conclusion and Acknowledgments; Summary of Conclusions and Recommendations; Appendices I to X.

### RECOMMENDATIONS

Land Reclamation And Rehabilitation Works Undertaken By The DVC

The work of rehabilitation should remain with the Corporation.

Payment of compensation in cash in all cases is neither fair in itself nor in consonance with the declared policy of the Government and must be rejected.

The proposal that land for land may be given 60 to 100 miles away where it can be reclaimed at a lower cost is bound to lead to a justified agitation by displaced persons and cause difficulties and will involve a change in policy which will lead to charges of a breach of faith.

Land of equal productivity must be given to the displaced persons; any other course would be unfair.

The proposal that the Corporation should acquire culturable waste and hand over to displaced persons an equivalent number of acres and give suitable plots for houses in a new *abadi*, though cheaper, would not provide real rehabilitation.

The method may be tried of entrusting the construction of houses to an approved village co-operative society under the guidance of the Corporation's engineers.

## **The Changes In The Design And Construction Features Of Tilniya Dam**

Though the advice of the Board of Consultants for a change of design from masonry to concrete was not unanimous, no formal decision was taken by the Corporation, but Shri Venkatnchari's advice was tacitly accepted. It is surprising that no record exists of so important a decision with such technical and financial implications.

The numerous changes in design were due to the absence of a Chief Engineer who could have given the Corporation authoritative advice.

The possibility of linking the Tilaiya Power Station with Bokaro may be investigated. As soon as that is done, the thermal power plant at Tilniya may either be disposed of or used elsewhere.

It may be considered whether the waters of both Tilaiya and Kooar cannot be put to immediate use.

## **The Planning And Purchase Of Stores And Equipment**

It would not be proper to compel the Corporation to make all its purchases through the D.G.S.&D. At the same time, it should be advantageous to the Corporation to enforce more strictly the procedure laid down to ensure that requirements are foreseen by indenting officers as far as possible. If this is done, it should be possible for the Corporation to utilize the agency of the D.G.S.&D. to a greater extent.

The possibility of entering into rate contracts with regard to spare parts of the machinery in common use may be explored by the Government.

The possibility of standardizing equipment to be used in the river valley projects needs consideration by the Government.

## **The Appointment Of A Chief Engineer**

The efforts made by the Corporation to secure the services of an Indian Chief Engineer were genuine and serious.

The results of the absence of a Chief Engineer for two and a half years are writ large on the work of the Corporation—in expert advice and frequent changes of design, increase in costs, waste of public funds.

For the vacillation and indecision in appointing the Chief Engineer the Corporation is, as a whole, technically responsible but the personal responsibility of the Chairman in the matter is by no means negligible.

## **The Adequacy Of The Damodar Valley Corporation Act, 1948**

A Corporation should be created only when a project has been investigated in sufficient detail, and a fairly firm estimate has been sanctioned by the Government.

Within the sanctioned project estimate, the Corpo-

ration should have full powers to execute the project, without any outside interference. The Corporation should not have any power to modify the scope of the project. That power should rest only in the Government.

After completion of the project, the Corporation should have full powers to run its commercial or quasi-commercial activities, like irrigation, navigation, power and flood control.

In regard to non-commercial activities like soil conservation, afforestation, etc., schemes should be submitted by the Corporation to the Government for approval, before they are taken up. Such schemes should be implemented only to the extent approved by the Government.

A "policy-making corporation" is in every way better than a "functional" one.

The provisions of Sections 30 and 31 are being worked in the right spirit, but their full implications may be clarified when the amendment of the Act is undertaken.

The Central Government should authorize the Corporation under Section 29 (2) of the Act to open accounts with any of the more important Indian banks wherever necessary.

The Advisory Committee Rules may also be rescinded.

Functions listed in Sub-Section 12 (f) of the Act should be undertaken only after the scheme has been specifically sanctioned by the Central Government unless the State Government concerned desire to entrust, any similar work to the Corporation after making provision in the State budget.

Afforestation and soil conservation as provided under Section 12 (e) of the Act should be subject to the prior approval of the Central Government.

The Government should lay down priorities between the various functions with regard to each project, if necessary by directions under Section 48.

The procedure for initiating and making plans laid down by the Planning Commission in the Five Year Plan is recommended.

When large projects are sanctioned self-sufficient organizations for designing are necessary.

The DVC Act and the Land Acquisition Act should be amended in its application to the Corporation.

## **The Organizational Set-up Of The DVC**

There is too much centralization in the Corporation's methods of administration. While the Corporation should concern itself with policy matters and broad features of general administration, supervision and control, there should be generous delegation of powers at all levels indicating both well-defined responsibility and adequate powers.

The Soil Conservation Department should be placed under a first-rate specialist.

A high-ranking social worker with some knowledge of economics should assist the Corporation in the development of the Valley.

The Chief Electrical Engineer's headquarters could be more conveniently located in the Valley.

The absence of a Law Division in the Corporation office is a serious omission and should be supplied without delay.

All the three members of the Corporation should sit on the Selection Board when appointments carrying pay of Rs. 1,000 p.m. and above are under consideration.

A system of "merit awards" based on objective tests should be introduced as an incentive to good work.

The headquarters of the Corporation should be located at Maithon as early as circumstances permit.

The Corporation should engage the services of a reputed firm of efficiency experts to go into the question of the staff and their efficiency.

## SECONDARY EDUCATION COMMISSION, 1952-53—REPORT

New Delhi, Ministry of Education, 1953. 309p. Charts

Chairman : Dr. A. Lakshmanaswami Mudaliar.

Members : Principal John Christie; Dr. Kenneth Rast Williams; Mrs. Hansa Mehta; Shri J. A. Taraporevala; Dr. K. L. Shrimali; Shri M. T. Vyas; Shri K. G. Saiyidain.

Member-

Secretary : Shri A. N. Basu.

Assistant

Secretary : Dr. S. M. S. Chari.

### APPOINTMENT

The Secondary Education Commission was appointed by the Government of India in terms of their Resolution No. F. 9-5/52-B-I dated September 23, 1952.

The Government of India, in their Communique quoted above, referred to the recommendations of the Central Advisory Board of Education made at its 14th meeting held in January, 1948, that a Commission be appointed to examine the prevailing system of Secondary Education in the country and suggest measures for its reorganization and improvement. The Board reiterated its recommendation in January, 1951. The Government of India had also other considerations in mind when appointing this Commission, such as the desirability of changing over from the prevailing system of Secondary Education which is unilateral and predominantly academic in nature to one which will cater at the secondary stage for different aptitudes and interests.

### TERMS OF REFERENCE

Under the Terms of Reference, the Government was asked:

(a) To enquire into and report on the present position of Secondary Education in India in all its aspects; and

(b) To suggest measures for its reorganization and improvement with particular reference to:

(i) The aims, organization and content of Secondary Education;

(ii) Its relationship to Primary, Basic and Higher Education;

(iii) The inter-relation of Secondary schools of different types; and

(iv) Other allied problems  
so that a sound and reasonable uniform system of Secondary Education suited to our needs and resources may be provided for the whole country.

### CONTENTS

Introductory; Appraisal of the Existing Situation; Reorientation of Aims and Objectives; New Organizational Pattern of Secondary Education; Study of Languages; Curriculum in Secondary Schools; Dynamic Methods of Teaching; The Education of Character; Guidance and Counselling in Secondary Schools; The Physical Welfare of Students; A New Approach to Examination and Evaluation; Improvement of the Teaching Personnel; Problems of Administration; Finance; The Secondary School as we visualize it; Conclusions; Summary of Recommendations; Appendices from I to X; Administrative Set-up of the State Department of Education; Educational Ladder—Proposed Organizational Pattern.

### RECOMMENDATIONS—SUMMARY

#### I. Aims And Objectives Of Secondary Education

The Commission have said in their report: "As political, social and economic conditions change and new problems arise, it becomes necessary to re-examine carefully and study clearly the objectives which education at each stage should keep in view. Moreover,

this statement must take into account not only the facts of the existing situation but also the direction of its development and the nature and type of the social order that we envisage for the future to which education has to be geared."

In the Commission's opinion, the most outstanding and educationally relevant facts in the Indian situation were:

(1) The adoption of the goals of democracy and socialism necessitating the development among the people of a broad, national and secular outlook;

(2) The extreme poverty of the country and urgency for promoting its economic growth; and

(3) The absence of educational facilities needed for developing all aspects of the human personality and the neglect of cultural pursuits and activities.

On the basis of this analysis, the Commission recommended that Secondary Education should be re-oriented to the following aims and objects:

(a) **Development of Qualities Essential for Creative Citizenship** : This includes the development in the students of Secondary Schools of those habits, attitudes and qualities of character which are essential for creative citizenship in a democratic society. Among these qualities, which are to be fostered through curricular and co-curricular activities in Secondary Schools, are:

(i) The capacity for clear thinking (allied to which is the capacity for clearness in speech and writing);

(ii) The scientific attitude of mind;

(iii) A receptivity to new ideas;

(iv) A respect for the dignity and worth of every individual;

(v) The ability to live harmoniously with one's fellow-men through the cultivation of discipline, co-operation, social sensitiveness and tolerance; and

(vi) A sense of true patriotism.

(b) **The Promotion of Vocational Efficiency**: This involves not only the creation of a new attitude to work and an appreciation of the dignity of manual labour but also the development of the students' technical skill and efficiency through greater emphasis on craft and productive work and the diversification of courses at the Secondary stage.

(c) **Development of Personality**: This implies cultivation of the students' literary, artistic and cultural interests for a fuller development of their personalities. This means the provision of subjects like art, craft, music, dancing and hobbies in the Secondary School curricula.

(d) **The Training for Leadership**: The training of persons who, on completion of the Secondary stage, would be able to assume the responsibilities of leadership at the Intermediate level.

## II. Proposed Pattern Of School Education

Under the new organized structure, education should commence after a four or five-year period of Primary or Junior Basic Education and should include:

(a) Middle or Senior Basic or Junior Secondary stage of three years; and

(b) The Higher Secondary stage of four years.

**Transition State**: During the transitional stage, the existing High Schools and the Higher Secondary Schools should function on the lines laid down.

**Replacement of Intermediate Stage**: The present Intermediate stage should be replaced by the Higher Secondary stage which should be of four years' duration, one year of the present Intermediate being included in it.

**First Degree Course**: As a consequence of the preceding recommendations, the first degree course in the university should be of three years' duration.

**Pre-University Course** for those who pass out of the High School: For those who pass out of High School there should be provision for a pre-university course of one year, during which period the scheme of students' studies should be planned with due regard to the needs of the degree or the professional course to be taken by the students, and special emphasis should be placed on the quickening of intellectual interests, training in methods of study at college and the study of English so long as it continues to be the medium of instruction at the university.

**Admission to Professional Colleges**: Admission to professional colleges should be open to those who have completed the Higher Secondary course, or have taken the one year's pre-university course.

**Pre-Professional Course**: In the professional colleges, a pre-professional course of one year should be provided for the students, preferably in the professional colleges themselves, but, as a transitory measure, they may be given in the degree colleges where facilities exist, till professional colleges are able to provide for such courses.

**Place of Public Schools**: Public schools should continue to exist for the present and the pattern of education given in them should be brought into reasonable conformity with the general pattern of national education. Such schools should gradually become self-supporting, but during the transitional period of the next five years, State or Central assistance should be given to them on a gradually diminishing scale.

**Additional Residential Schools**: A number of residential schools should be established, more particularly in certain rural areas, to provide proper opportunities for the education of children and particularly to meet the needs of children whose education suffers at

present owing to the exigencies of service of their parents.

**Residential Day Schools:** "Residential Day Schools" should be established in suitable centres to provide greater opportunities for teacher-pupil contact and for developing recreational and extra-curricular activities.

**Co-operation between Centre and States:** In matters connected with reorganization and improvement of Secondary Education, there should be close co-operation between the Centre and the States.

**Centre's Responsibility for Reorganization of Secondary Education:** The Centre should assume a certain amount of direct responsibility for the contemplated reorganization of Secondary Education and give financial aid for the purpose.

### III. School Hours And Admissions Latitude In School Hours To Suit Community Activities

Considerable latitude should be given to schools to arrange their school hours in such a way as not to interfere with the activities of the community and the general climatic and occupational conditions prevailing in the locality.

**School Day—School Week:** As a rule, the total number of working days in a school should not be less than two hundred, the working hours per week should be at least 35 periods of about 45 minutes each; the school should work regularly for six days in the week, one of the days being a half-day when the teachers and students might meet informally and work together on various extra-curricular and social projects.

**Holidays and Vacations:** School holidays need not be identical with public holidays as declared by the Government, and normally during the year there should be a summer vacation of two months and two breaks of 10 to 15 days at suitable periods during the year.

### IV. Language And Medium Of Instruction

**Languages at the Middle School Stage:** During the Middle School stage, every child should be taught at least two languages. English and Hindi should be introduced at the end of the Junior Basic stage, subject to the principle that no two languages should be introduced in the same year.

**Languages at the High and Higher Secondary Stage:** At the High and Higher Secondary stage, at least two languages should be studied, one of which being the mother-tongue or the regional language.

**Medium of Instruction should be the Mother-Tongue or the Regional Language:** The mother-tongue or the regional language should generally be the medium of instruction throughout the Secondary School stage,

subject to the provision that for linguistic minorities special facilities should be made available on the lines suggested by the Central Advisory Board of Education.

### V. Methods Of Teaching

**Inculcation of Values, Attitudes and Work Habits:** The methods of teaching in schools should aim not merely at the imparting of knowledge in an efficient manner, but also at inculcating desirable values and proper attitudes and habits of work in the students.

They should, in particular, endeavour to create in the students a genuine attachment to work and a desire to do it as efficiently, honestly and thoroughly as possible.

**Activity and Project Methods:** The emphasis in teaching should shift from verbalism and memorization to learning through purposeful, concrete and realistic situations and, for this purpose, the principles of "Activity Method" and "Project Method" should be assimilated in school practice.

Teaching methods should provide opportunities for students to learn actively and to apply practically the knowledge that they have acquired in the class-room. "Expression Work" of different kinds must, therefore, form part of the programme in every school subject.

**Emphasis on Clear Thinking and Expression:** In the teaching of all subjects special stress should be placed on clear thinking and clear expression both in speech and writing.

**Training Pupils In Techniques of Study:** Teaching methods should aim less at imparting the maximum quantum of knowledge possible, and more on training students in the techniques of study and methods of acquiring knowledge through personal effort and initiative.

**Instruction to Suit Different Student Abilities:** A well-thought-out attempt should be made to adopt methods of instruction to the needs of individual students as much as possible so that dull, average and bright students may all have a chance to progress at their own pace.

**Group Projects and Activities:** Students should be given an adequate opportunity to work in groups and to carry out group projects and activities so as to develop in them the qualities necessary for group life and co-operative work.

### VI. Moral And Religious Instruction

**Religious Instruction:** Religious instruction may be given in schools only on a voluntary basis and outside the regular school hours, such instruction being confined to the children of the particular faith concerned and given with the consent of the parents and the managements.

## VII. Text Books

**High-Power Text Book Committee for Quality Text Books:** With a view to improving the quality of text books prescribed, a high-power Text Book Committee should be constituted which should consist of a high dignitary of the judiciary of the State, preferably a Judge of the High Court, a member of the Public Service Commission of the region concerned, a Vice-Chancellor of the region, a headmaster or headmistress in the State, two distinguished educationists, and the Director of Education. The Committee should function as an independent body.

**Sale Proceeds for Award of Scholarships:** A fund should be maintained from the amount realized from the sale of publications which may be utilized for awarding scholarships and providing books and certain other amenities for schoolchildren.

**Criteria for Text Books:** The Text Book Committee should lay down clear criteria for the type of paper, illustration, printing and format of the book.

**Libraries of Blocks of Illustrations:** The Central and State Governments should maintain libraries of blocks of good illustrations which could be loaned to Text Book Committees and publishers in order to improve the standard of book illustration.

**A Range of Books should be Recommended:** Single text books should not be prescribed for every subject of study, but a reasonable number of books which satisfy the standards laid down should be recommended leaving the choice to the schools concerned.

**Language Text Books should be Prescribed:** In the case of languages, however, definite text books should be prescribed for each class to ensure proper gradation.

**Text Books should not Offend or Indoctrinate:** No book prescribed as a text book or as a book for general study should contain any passage or statement which might offend the religious or social susceptibilities of any section of the community or might indoctrinate the minds of the young students with particular political or religious ideologies.

**Discouraging Frequent Change of Text Books:** Frequent changes in text books and books prescribed for study should be discouraged.

## VIII. Examinations And Evaluation

Reviewing the defects of examinations at the Secondary stage, the Secondary Education Commission said:

"The examinations today dictate the curriculum instead of following it, prevent any experimentation, hamper the proper treatment of subjects and sound methods of teaching, foster a dull uniformity rather than originality, encourage the average pupil to concentrate too rigidly upon too narrow a field and thus help him to develop wrong values in education. Pupils

assess education in terms of success in examinations. Teachers, recognizing the importance of the external examination to the individual pupils, are constrained to relate their teaching to an examination which can test only a narrow field of the pupil's interests and capacities and so inevitably neglect the qualities which are more important though less tangible."

(a) **External Examinations—Introduction of Objective Type Tests:** The number of external examinations should be reduced and the element of subjectivity in the essay-type tests should be minimized by introducing objective tests and also by changing the type of questions.

(b) **School Records for Assessment of All-round Progress:** In order to find out the pupil's all-round progress and to determine his future, a proper system of school records should be maintained for every pupil indicating the work done by him from time to time and his attainments in the different spheres.

(c) **In the Final Assessment of the pupils due credit should be given to the internal tests and the school records of the pupils.**

(d) **Symbolic Marking to Replace Numerical Marking:** The system of symbolic rather than numerical marking should be adopted for evaluating and grading the work of the pupils in external and internal examinations and in maintaining the school records.

(e) **One Public Examination—Final Comprehensive Certificate:** There should be only one public examination at the completion of the Secondary School course.

(f) **The Certificate awarded should contain, besides the results of the public examination in different subjects, the results of the school tests in subjects not included in the public examination as well as the gist of the school records.**

(g) **The System of compartmental examinations should be introduced at the final public examination.**

(h) **Board of Secondary Education to be Set Up:** There should be a Board of Secondary Education consisting of not more than 25 members with the Director of Education as its chairman to deal with all matters of education at the Secondary stage and to lay down general policies.

A sub-committee of the Board should deal with the conduct of examinations.

## IX. Buildings And Equipment

**School Buildings—Space per Pupil:** Normally, in designing buildings for schools, care should be taken to see that an area of not less than 10 sq. ft. is provided per student in the classroom.

**Optimum Strength of Class and School:** The optimum number of boys to be admitted to any class should be 30 and the maximum should not in any case

exceed 40; the optimum number in the whole school should be 500 while the maximum should not exceed 750.

**Research Required on School Buildings, Furniture and Equipment:** In the type design of schools as well as the furniture, etc., research should be carried on to improve functional efficiency and to adjust them to Indian conditions.

An Expert Committee should be appointed to lay down carefully the amount and the kind of equipment required for various types of diversified courses and workshops.

**Land for Educational Purposes:** The State Governments and the Centre should, wherever possible, assign lands to schools for playgrounds, buildings or agricultural farms and other necessary purposes without any charge.

**Exemption from Customs Duty for Equipment and Books:** The educational institutions which have to obtain necessary scientific apparatus, workshop appliances and books for school library should be exempted from Customs duty.

#### X. Experimentation In Schools

**Schools to be Encouraged to Experiment on New Methods:** In order to popularize progressive teaching methods and facilitate their introduction, "Experimental" and "Demonstration" schools should be established and given special encouragement where they exist, so that they may try out new methods freely without being fettered by too many departmental restrictions.

#### XI. Educational Finance

**Contributions to Secondary Education to be Exempted from Income-Tax:** Contributions for the development of secondary education should be exempted from the operation of the Income-tax Act.

**Surplus Endowment Funds for Education:** Surplus funds from the religious and charitable endowments should be diverted to educational purposes.

**Amount Bequeathed for Educational Purposes to be Exempted from Duty:** The amount bequeathed to public institutions for general educational purposes in the will of a deceased person should not be subject to any duty by the Centre and the whole of it should be appropriated to the educational purpose.

**Educational Institutions should be Exempted from Property Tax:** All educational institutions and the grounds attached thereto should be exempted from the levy of Property Taxes.

#### XII. Fees And Freeships

**Free Studentships:** The States or the Centre should provide for certain free studentships in them (public

schools) to be given on the basis of merit to select students.

**No Fees to be Levied—Stipends to Student-Teachers** No fees should be charged in training colleges, while during the period of training all the student-teachers should be given suitable stipends by the State; the teachers who are already in service should be given the same salary which they were getting.

**Rates of Fees:** The scales of fees fixed by the Management of a school should be subject to approval by the Department of Education.

A Committee should be appointed when necessary by the Department of Education to go into the question of levying a uniform scale of tuition and other fees and all accounts of the school should be subject to audit by the Department.

#### XIII. Girls' Education

**Facilities for Home Science in Girls' Schools:** While no distinction need be made between education imparted to boys and girls, special facilities for the study of Home Science should be made available in all girls' schools and co-educational or mixed schools.

**Separate Schools for Girls:** Effort should be made by State Governments to open separate schools for girls wherever there is demand for them.

**Facilities to be Provided in Co-educational Schools:** Definite conditions should be laid down in regard to co-educational or mixed schools to satisfy the special needs of girl students and women members of the teaching staff.

#### XIV. Guidance And Counselling

**Importance of Educational Guidance:** Educational guidance should receive much greater attention on the part of the educational authorities.

**Films on Occupations and Industries:** In order to broaden the pupils' understanding of the scope, nature and significance of various occupations and industries, films should be prepared to show the nature of the work in various industries and this should be supplemented by actual visits.

**Guidance Officers and Career Masters Training:** The services of trained Guidance Officers and Career Masters should be made available gradually and in an increasing measure to all educational institutions.

The Centre should take up the responsibility of opening in different regions centres of training for Guidance Officers and Career Masters to which each State may send a member of teachers or other suitable persons for training.

#### XV. Health And Physical Education

**School Medical Services—Follow-up Treatment:** A

properly organized School Medical Service should be built up in all States.

A thorough medical examination of all pupils, and necessary follow-up treatment where necessary, should be carried out in all schools.

**Teachers to be Trained In First Aid and Health Principles:** Some of the teachers should be trained in first aid and general principles of health so that they may co-operate intelligently with the medical staff.

**Nutritional Standards In Residential Schools:** Proper nutritional standards should be maintained in hostels and residential schools.

**School and Sanitation of Community:** The school should assist, where possible, in the maintenance of sanitation of the area, and the schoolchildren should thus be trained to appreciate the dignity of manual labour.

**Physical Activities—Adapted to Individual Capacity:** Physical activities should be made to suit the individual and his capacity for physical endurance.

**Teachers should Participate In Physical Activities:** All teachers below the age of 40 should actively participate in many of the physical activities of students and thus make them a lively part of the school programme.

**Records of Physical Activities:** Full records of physical activities of students must be maintained.

**Physical Education to be Comprehensive:** The training in physical education should be comprehensive enough to include all aspects of health education.

**Physical Education Teachers to Teach Physiology and Hygiene:** Teachers of Physical Education should be associated with the teaching of subjects like physiology and hygiene and given the same status as other teachers with similar qualifications.

**Training of Physical Education Teachers:** The existing facilities for training of teachers of Physical Education should be expanded by increasing the seats in the existing colleges, by opening new colleges, where necessary, and by reorganizing some of the institutions as All-India Training Centres to which aid may be given both by the Centre and the States.

#### **XVI. School Libraries And Reading Halls**

**Importance of School Libraries:** As the proper use of a well-equipped school library is absolutely essential for the efficient working of every educational institution and for encouraging literacy and cultural interests in students, every Secondary School should have such a library; class libraries and subject libraries should also be utilized for this purpose.

**Training In Library Work:** Trained Librarians, who have love for books and an understanding of students' interests, should be provided in all Secondary Schools and all teachers should be given some training in the

basic principles of library work, in the training colleges as well as through refresher courses.

**School Libraries vis-à-vis Public Libraries:** Where there are no separate public libraries, the school libraries should, as far as possible, make their facilities available to the local public and all public libraries should have a special section for children and adolescents.

**Production of General Reading Books:** In order to improve general standards of work in schools, necessary steps should be taken to produce text books as well as books of general reading which are distinctly superior in quality to the books at present available.

#### **XVII. School Management And Recognition**

**Recognition of Schools:** Recognition to schools should be given only on clearly defined conditions which will ensure their proper running and the maintenance of proper standards.

**Managing Boards of Schools—Rules of Service:** The managing boards of all schools should be registered and should consist of a limited number of persons with the Headmaster as an ex-officio member.

No member of the Managing Board should directly or indirectly interfere with the internal administration of the school.

Every management should be required to draw up definite rules of service wherein the conditions pertaining to salary, leave, etc., should be definitely laid down.

**Endowment of Schools:** For proper running of a school, every management should be required to provide an endowment and the income accruing from this should be shown in the receipts of the year.

**Requirements of Staff: Accommodation and Equipment for Recognition:** The managements should satisfy the Department that qualified staff is available and will be appointed in accordance with the rules laid down by the Department of Affiliation.

The management should satisfy the Department that adequate accommodation and equipment, etc., have been provided for the efficient running of the school.

**Sections in Each Class:** The number of sections in each class should be limited and before any increase in the numbers of sections is made, the prior approval of the Department should be obtained.

**Opening of New Schools: Rules to Prevent Unhealthy Competition:** In the interest of the general efficiency of schools, rules should be framed preventing undue competition amongst neighbouring schools.

**Minimum Conditions to be Fulfilled:** Managements should obtain prior approval of the Director of Education before opening schools and the approval should not be given unless the minimum conditions prescribed have been scrupulously fulfilled.



## XVIII. Teachers

**Guide Material for Teachers:** Suitable literature for the guidance and inspiration of teachers should be produced by the Education Departments of all States and either the Office of the Director of Education or one of the training colleges should be adequately equipped for the purpose.

**Selection and Appointment:** A reasonable uniform procedure should be devised for the selection and appointment of teachers for all types of schools.

**Selection Committee for Private Schools:** In all privately managed institutions and in schools maintained by local boards there should be a small Selection Committee entrusted with the responsibility of recruiting the staff, with the Headmaster as an ex-officio member.

The normal period of probation for a Trained Teacher should be one year.

**Qualification of Teachers:** Teachers working in High Schools should be Graduates with a Degree in Education; those who teach technical subjects should be Graduates in the subjects concerned with the necessary training for teaching it; teachers in Higher Secondary Schools should possess higher qualifications somewhat similar to those prescribed in some universities for teachers of the Intermediate Colleges.

**Qualifications; Type of Work; Grades of Pay:** The teachers possessing the same qualifications and performing the same type of work should be treated on a par in the matter of grades of salary irrespective of the type of institution in which they are working.

**Special Committee to Review the Scales of Pay:** A Special Committee should be set up to review the scales of pay of teachers of all grades and recommend such scales of pay that will meet in a fair and just manner the varying cost of living.

**Triple Benefit Scheme for Teachers:** In order to relieve teachers from anxieties about their own and their dependants' future which will affect the efficiency of their work, the system of Triple Benefit Scheme, pension-cum-provident fund-cum-insurance, should be introduced in all States.

**Arbitration Boards to Look Into Teachers' Appeals:** Arbitration Boards or Committees should be established to look into the appeals and grievances of teachers and to consider matters relating to suspension, dismissal, etc.

**Age of Retirement:** The age of retirement in the case of a physically fit and competent teacher may be extended to 60 with the approval of the Director of Education.

**Free Education to Teachers' Children:** The children of teachers should be given free education throughout the school stage.

**Co-operative Housing Scheme for Teachers:** Through a system of co-operative house-building societies, teachers should be provided with quarters so as to enable them to live near the school and devote more time to the many-sided activities of the school.

**Travel Concessions and Leave Facilities; Medical Facilities:** Teachers wishing to go to health resorts or holiday camps or to attend educational conferences, seminars, etc., should be given travel concessions and leave facilities.

They should be given free medical attention and treatment in hospitals and dispensaries.

**Uniform Leave Rules: Opportunities to Visit Institutions in India and Abroad:** The leave rules should, as far as possible, be uniform for all educational institutions.

Opportunities should be provided on a generous scale for teachers to visit different institutions within the country and in special cases to go abroad on study leave for higher studies.

**Private Tuitions: Teachers' Social and Professional Status:** The practice of private tuitions by teachers should be abolished.

Persons in high public position should give special recognition to the teachers' social status and the dignity of their profession.

**Recruitment of Headmasters:** In order to attract persons of the right type to the responsible position of the headmaster, the emoluments of the post should be made sufficiently attractive.

**Teacher Training—Two Types:** There should be only two types of institutions for teacher training:

(i) For those who have taken the School Leaving Certificate or Higher Secondary School Leaving Certificate, for whom the period of training should be two years; and

(ii) For graduates for whom the training may, for the present, be of one academic year, but extended as a long-term programme to two academic years.

Graduate teacher-training institutions should be recognized by and affiliated to the universities which should grant the degrees, while the Secondary Grade training institutions should be under the control of a separate Board appointed for the purpose.

The teacher-trainees should receive training in one or more of the various extra-curricular activities.

**Training Colleges and In-service Responsibilities:** The training colleges should, as a normal part of their work, arrange refresher courses, short intensive courses in special subjects, practical training in workshops and professional conferences.

**Teacher's Training Board for Maintaining Standard of Teacher Training:** There should be a Teachers' Training Board for supervising and laying down the conditions necessary for the proper training of under-

graduates and for suggesting, for the consideration of the universities, improvements that may be needed in the training of graduates.

**Recruitment of Teachers:** The teaching staff should not be limited to any particular caste or community but should, as far as possible, be recruited on a wide basis.

**Quarters For Teachers:** So far as possible, quarters should be provided for teachers in rural areas as well as urban areas to attract suitable persons to the profession and to facilitate development of a corporate community life in the schools.

#### **XIX. Recommendations Of The Secondary Education Commission On School Buildings And Equipment**

1. Secondary schools should be established in rural areas in central places with sufficient population which are easily accessible to the surrounding villages.

2. Schools in urban areas should, as far as possible, be so located that they are free from the noise and congestion of the city and necessary transport facilities should be made available for students.

3. The open spaces available in cities must be conserved to be utilized as playgrounds by groups of schools and the State and Central Governments should prevent, through legislation, encroachment on them for industrial or commercial purposes or by housing societies.

4. Normally, in designing buildings for schools, care should be taken to see that an area of not less than 10 sq. ft. is provided per student in the classrooms.

5. The optimum number of boys to be admitted to any class should be 30 and the maximum should not exceed 40 in any case. The optimum number in the whole school should be 500, while the maximum should not exceed 750.

6. The schools constructed in future should provide facilities for the introduction of diversified courses.

7. In the type design of schools as well as the furniture, etc., research should be carried on to improve functional efficiency and to adjust them to Indian conditions.

8. Expert Committees should be appointed to lay down carefully the amount and the kind of equipment required for various types of diversified courses and workshops.

9. Co-operative stores should be established in all schools where books, stationery and other materials required by students are made available to them at cost price.

10. So far as possible, quarters should be provided for teachers in rural areas as well as urban areas to attract suitable persons to the profession and to facili-

itate development of a corporate community life in the schools.

#### **XX. Supervision And Inspection Of Schools**

**Existing Defects:** The present system of inspection of schools was subjected to criticism by several witnesses. It was pointed out that inspections were perfunctory, that the time spent by the Inspector at any particular place was insufficient, that the greater part of this time was taken up with routine work like checking accounts and looking into the administrative aspects of the school. There was not enough time devoted to the academic side, and contacts between the Inspectors and teachers were casual. It was also stated that the number of schools entrusted to the care of an Inspector was too large and the range too wide for him to be able to acquaint himself with their work and appreciate their problems; nor was he in a position to advise and guide the teaching staff in improving the work of the school. It occasionally happened that the Inspector instead of being "the friend, philosopher and guide" of the school behaved in such a critical and unsympathetic way that his visit was looked upon with some degree of apprehension, if not of resentment. In our view the true role of an Inspector—for whom we would prefer the term Educational Adviser—is to study the problems of each school, to take a comprehensive view of all its functions and to help the teachers to carry out his advice and recommendations. We also recommend that for special subjects like Physical Education, Domestic Science, Art, Music, etc., there should be attached to the Director's Office certain experts in these subjects who will inspect the different schools periodically and help in improving the standards of teaching.

**Selection of Inspectorate:** At present the Inspectorate is made up in diverse ways by different States. In some cases Inspectors are recruited directly to inspectional posts and while certain academic qualifications are prescribed, experience and other relevant qualifications are not duly emphasized. Once a person has been chosen for the Inspectorate he often continues in that line till the age of retirement. We are of the view that a person, to be chosen as an Inspector, should possess high academic qualifications (an Honours or Master's degree) and should have had teaching experience in schools for at least 10 years, or should have been a Headmaster of a High School for a minimum period of three years. In addition to direct recruitment the Inspectors should also be drawn from:

- (i) Teachers of 10 years' experience;
- (ii) Experienced Headmasters of High Schools; and
- (iii) Qualified staff of Training Colleges.

We recommend further that suitable persons from any of these categories may be appointed as Inspectors

for a period of three to five years after which they may revert to their original posts. In the initial stages, we suggest that 50% of such posts may be reserved for recruitment on this basis. It is necessary that Professors of Training Colleges should be conversant with the work done in the schools; and that Headmasters should likewise have a chance to serve as Inspecting Officers for short periods. This will enable them to appreciate the position of the Inspectors and to approach the problems of the schools with greater appreciation of the realities from their own experience.

**Duties of Inspectors:** The duties of an Inspector are divisible into administrative and academic. The administrative duties relate to the annual inspection of records, accounts, office routine, etc. For this purpose he must have the assistance of a competent staff. With the increase in the number and types of schools, this duty will require a considerable amount of his time if he is to discharge these functions properly and efficiently. The time needed for the purpose has necessarily restricted the scope of his activities on

the academic side. Moreover, the multiplicity of the subjects taught in the school by specially qualified staff now makes it very difficult for any single officer, however qualified, to inspect them thoroughly and to advise on all their problems. We, therefore, recommend that the academic work of the school should be thoroughly inspected by a panel of experts with the Inspector as Chairman and this should be done once in three years. We recommend that three persons may be chosen from senior teachers or headmasters to visit schools in the company of the Inspector and to spend two or three days with the staff, discussing with them all aspects of school life—the library and laboratory facilities, the curriculum, the organization of extra-curricular activities, the use of the holidays and all other problems connected with school activities. Through these full and frank discussions, the inspectors will be in a far better position to help in the improvement of the schools. What is suggested is nothing new—colleges affiliated to Universities are visited by commissions of experts who inspect their working, discuss their problems and report to the University.

## PRESS COMMISSION, 1952—REPORT

### Delhi, Manager of Publications, 1954. 3 Parts.

**Chairman :** Shri Justice G. S. Rajadhyaksha.

**Members :** Dr. C. P. Ramaswami Aiyar; Acharya Narendra Deva; Dr. Zakir Husain; Dr. V. K. R. V. Rao; Shri P. H. Patwardhan; Shri T. N. Singh; Shri Jaipal Singh; Shri J. Natarajan; Shri A. R. Bhat; Shri M. Chalapathi Rao.

**Secretary :** Shri M. L. Chowla (died on 19.2.1953 and Shri S. Gopalan took over as Secretary).

#### APPOINTMENT

The Press Commission was constituted under the Ministry of Information and Broadcasting vide their Notification No. 10/1/52-IP dated October 3, 1952.

#### TERMS OF REFERENCE

The Press Commission shall enquire into the state of the Press in India, its present and future lines of development and shall in particular examine:

(i) The control, management and ownership and financial structure of newspapers, large and small, the periodical Press and news agencies and feature syndicates;

(ii) The working of monopolies and chains and their effect on the presentation of accurate news and fair views;

(iii) The effect of holding companies, the distribution of advertisements and such other forms of external influence as may have a bearing on the development of healthy journalism;

(iv) The method of recruitment, training, scales of remuneration, benefits and other conditions of employment of working journalists, settlement of disputes affecting them and factors which influence the establishment and maintenance of high professional standards;

(v) The adequacy of newsprint supplies and their distribution among all classes of newspapers and the possibilities of promoting indigenous manufacture of (i) newsprint and (ii) printing and composing machinery;

(vi) Machinery for (a) ensuring high standards of journalism and (b) liaison between the Government and the Press; the functioning of Press Advisory Committees and organizations of editors and working journalists, etc.;

(vii) Freedom of the Press and repeal or amendment of laws not in consonance with it; and to make recommendations thereon.

#### CONTENTS

Course of Enquiry; Newspapers and Periodicals; Capital Investment and Turnover; Economics of Newspapers; Advertisements; Supplies; Communications

and Transport; News Agencies; Feature Syndicates; Liaison with Government; Employment; Working Journalists; Associations of Newspapermen; Newspaper Content; Ownership and Control; Competition and Monopolies; Bias and External Pressure; Editorial Control; Standards and Performance; Press Legislation; Conclusions and Recommendations; Annexures.

## RECOMMENDATIONS

### Statistics Of Newspapers And Periodicals

At the outset we found that the statistics of newspapers and periodicals were grossly inaccurate.

#### Daily Newspapers

There are about 330 daily newspapers currently being published (including editions published from different centres) and their total circulation is just over 25 lakhs. The figures have to be approximate in the circumstances, but it may be added that if there are a few more newspapers that have not been included they would be essentially those with small circulations.

#### Newspapers Predominantly Urban

While the growth of circulation of daily newspapers has been satisfactory in comparison with what existed a decade or so ago, the development of journalism has not been adequate in terms of the total population. The penetration of daily newspapers into the rural areas, which house the bulk of India's population, has been very slight.

#### Scope For Expansion Of Newspapers

On the basis of the number of literate households covered by our sample survey who have expressed interest in newspapers, there exists an immediate potential for a very large increase in readership, much greater in the rural areas than in the urban areas. The results of the survey indicate that the reasons at present preventing interested households from going in for newspapers are primarily the cost and the lack of distribution facilities.

#### Number Of Papers Should Increase

If we take into account such factors as distance and poor communications, we need a large increase in the number of newspapers.

One way that can be suggested to minimize the losses in the early stages, particularly where no daily paper exists already, would be to start the paper initially as a weekly, and when circulation has been built up to some extent, to convert it into a daily. We would also suggest that where adequate printing facilities exist, such papers should not install their own printing equipment, even if they can find the necessary capital for it. It might be preferable to entrust the printing to a press that has already established itself locally.

Local sale of most nationally advertised products is generally small. We feel that local advertising can be built up by educating the people about the advantages of advertising.

### Statutory Collection Of Statistics

We consider it essential that there should be some statutory authority responsible for the collection of reliable statistics regarding the Press in the country and periodical publication. The authority responsible for the collection of statistics would, therefore, be a central authority. There should be Press Registrars for each State who will be responsible for the primary collection and compilation of the statistics. All newspapers should be called upon to file periodic returns regarding employees, consumption of raw material, changes in ownership and control, and changes in management so that the public can get, from one source, authentic statistics about the industry. It should also be made incumbent on the newspapers to file periodic statements regarding the circulation of the paper as well as to send one copy of each edition to the National Library of India.

### Periodical Publications

A very large proportion of the periodical publications, particularly of those appearing monthly or oftener, are published on newsprint. This not merely adds to the demand for newsprint but gives a poorer appearance to the periodicals and a number of potential purchasers may be put off by the poor production quality. If, however, their standards of production can be raised, it is possible that advertisement revenues can be built up to such an extent that they would more than offset the increased cost.

Publishers should realize the large market that exists for periodicals in this country and the possibilities of a large-scale expansion of this profitable field of public service.

An important aspect in which the Indian periodical Press is today found deficient is in the publication of technical and specialist periodicals. When science, technology and medicine are advancing rapidly, the interchange of the latest information on research and application is achieved not so much by books as through periodicals.

We must mention with regret that a great deal of the objectionable writings—scurrilous, obscene, indecent and personal—does exist in the Indian Press, though it is confined to the periodical Press, and the daily newspapers have been comparatively free from these evils. While it is necessary for the Press to develop so as to meet the needs of the country, it is also essential that effective checks should exist against publications of this character.

## Under-capitalization And Indebtedness

We found that unsecured loans had been obtained mostly from the same sources as the original capital. Whether the additional funds are brought in as regular capital or as loan would not be very significant so long as the interest on the loans does not cripple the resources of the newspaper and the fact of indebtedness does not lay the paper open to external influences.

## Sources Of Capital

Provision for regular ploughing back of a substantial part of the profits into the industry is essential in the interest of normal and healthy development of the Press.

## Costs Of Production

Some managements have followed certain practices that have added to the costs and thus reduced the profit for distribution as bonus. We have examined specific cases which were cited to us and in some of them we have noticed one or more of such practices. The methods adopted were mainly to employ a number of relations on higher salaries, creation of supernumerary posts for them and payment of excessive commission to concerns in which the main shareholders or directors are interested. These work to the detriment of the development of the industry and creation of goodwill among the employees.

## Main Sources Of Revenue

The circulation revenue alone does not cover the cost of production and a newspaper has to rely on advertisement revenue for making both ends meet. To the extent that a paper can get more advertisement revenue it can afford to reduce its price or improve its news and features.

## Auxiliary Sources Of Revenue

Crosswords and similar competitions did form an important source of revenue in the past, but now they appear to serve the dailies more as a means of promoting circulation than as a source of revenue and are conducted for this purpose even if they are not returning direct profits.

## Advertisement Revenue

If newspaper readership expands faster than commercial and industrial activity, as is very likely with the rapid spread of education, we expect a fall in the advertisement revenue per copy. Therefore any step that may help newspapers to be less dependent on advertisement revenue would be welcome. A price-page schedule would be one such measure.

## The Fight For Circulation

The range of commission that should be paid to news agents should be narrowed down, say, between

25 and 33½%. Any payment of commission above this rate as well as offer of other inducements to news-agents or allowing them to sell the papers at reduced prices should be considered unfair practices and should be stopped.

A healthy method of competition is to give better, more varied and specialized coverage. Merely offering a large number of pages does not increase the standard of service, but on the other hand gives an unfair advantage in competition to those papers which have higher financial resources.

The publication of entry forms for prize competitions in newspapers and periodicals is an unjournalistic activity and we recommend the insertion of a provision in the Act regulating the printing of any form of entry to competition or prize schemes.

Where delivery charges exceed 15% of the net value, the excess should be recovered from the agent or as a surcharge from the subscribers. Any violation of these price restrictions should be considered an unfair practice and should be checked.

## Circulation Statistics

We are suggesting the appointment of a Press Registrar with whom publishers of newspapers have to file certain factual statements periodically. State Governments and the Central Government should be guided by these statements when placing advertisements.

## Restrictive Practices

There are other practices connected with large-scale operation which we consider unfair and undesirable. One is the insistence by the management that any advertiser in the most important paper of a group or chain should book space at the same time in their other papers also. Another is to insist that news-agents handling one of the papers of the group should also take a specified number or proportion of the other papers published by the group, or to insist that news-agents handling one paper of a group, say, in English, shall not handle any Indian language paper from any other publisher. Some provision should be made in the contemplated legislation governing newspapers and periodicals to put a stop to such restrictive practices.

## Economies Of Groups And Chains

Common ownership of more than one daily newspaper takes the form of combines, chains, multiple units and group. Certain economies are possible in group operation but the extent to which these economies are realized varies from one paper to another.

## Separation Of Accounts

We would like, if it were possible, that every paper

should be constituted as a separate unit so that its profits and losses are definitely ascertainable and both the proprietor and the employees know where they stand. In the case of multiple editions, each unit should be separated from the other in the matter of accounts. Where a chain consists of a number of groups, each group should be separated from the other. Inside the group itself, it may be difficult to make a division of capital investment and of certain categories of expenditure. The revenue account should be maintained separately and cost accounts should be kept in respect of production of each of the papers. This system of book-keeping should invariably be adopted wherever the managements find it inconvenient to divide the group into its component units.

We envisage the expansion of some of our metropolitan papers to provide a national or continental coverage, or the establishment of papers by national or political parties to cover the whole country, but in all these cases, the principles we have enunciated above should always be kept in mind. If, however, the parent papers have made adequate provisions for replacement costs and other necessary reserves and are paying their staff reasonable salaries and wages, then there could be no objection to their using the funds obtained from the profits of the parent papers for starting multiple editions in other parts of the country.

### Competition Should Be More Even

Newspapers serve as media for the free exchange of information and of ideas. The proper functioning of democracy requires that every individual should have equal opportunity, in so far as this can be achieved to put forward his opinions. Measures should therefore be adopted to reduce the differences due to economic advantages or other causes and to enable newcomers to start with a fair chance of achieving success. To fix a minimum price at which papers of a particular size can be sold would be the most effective measure to bring about this end.

### Price-Page Schedule

If the price is fixed too high, it would have a doubly unwelcome effect on the fortunes of the Press. Circulation would fall directly and as a consequence of such fall, advertisement revenues would also shrink. This would force papers to reduce the quality of their services and the cumulative effect may well be disastrous.

The Price-Page Schedule should prescribe not only the maximum number of pages that could be sold at a particular price, but also the minimum number that must be offered. The quantum of advertisement in a week's issue of a newspaper should not exceed 40% of the total area. On the present costs of production a schedule based on a price of 3 pias per page of standard

size may prove adequate to meet all costs of production in the case of the average Indian language and English papers after allowing for the normal expectation of advertisement revenue in each case.

### Volume And Sources Of Advertisements Legislation Recommended—Summary

A. The newspaper and periodical industry should be brought within the list of industries under the control of the Union Government.

B. An Act should be passed to regulate the industry and should *inter alia* provide for the following matters:

(1) The appointment of Press Registrars both at the Centre and in the States, whose duties and functions would be prescribed in the Act on the lines indicated in our recommendations; (2) The collection of statistics of the newspaper industry; (3) The fixing, by the Government, from time to time, of a Price-Page Schedule on the lines we have recommended; (4) The definition and punishment of practices which are unfair or restrictive; (5) Laying down the manner in which accounts of different enterprises shall be maintained by a proprietor controlling more than one newspaper or publishing them from more than one centre; (6) Making the issue and publication of fraudulent advertisements punishable; (7) Making the new Industrial Relations legislation applicable to newspaper employees; (8) Prescribing the method of assessment and distribution of profits from the industry, including the payment of bonus to the employees; (9) Prescribing the terms of employment, including the notice period, minimum wage, leave, provident fund, gratuity, etc.; (10) Making it compulsory for newspapers to publish periodically a statement of ownership and control in the form prescribed; (11) Making provisions of the Provident Fund Act applicable to the employees.

C. There will have to be new enactments for:

(1) Establishing a Press Council; (2) Bringing into existence of a State Trading Corporation for dealing in newsprint and for financing finances for the operation of the Press Council; (3) Establishing a Public Corporation to take over the Press Trust of India; (4) Defining the powers, privileges and immunities of legislatures.

D. Amending legislation would also be necessary, on the lines suggested by us, in the case of:

(1) The Press and Registration of Books Act; (2) The Drugs and Magic Remedies (Objectionable Advertisements) Act; (3) The Post Offices Act; (4) The Indian Penal Code (repeal of Section 124A, addition of a new Section 121B, amendments of Sections 153A, 295A and 499); (5) The Criminal Procedure Code (amendment of Sections 99A, 198 and 202); (6) The Sea Customs Act; and (7) The Indian Telegraph Act.

# COMMODITY CONTROLS COMMITTEE, 1952—REPORT

Delhi, Manager of Publications, 1953. 133p.

Chairman : Shri S. V. Krishnamoorthy Rao.  
Members : Shri M. P. Pai; Shri P. A. Gopalakrishnan  
(replaced by Dr. S. R. Sen); Shri L. K.  
Jha; Shri B. N. Lokur; Shri P. M. Nabar.  
Secretary : Shri M. A. Mulky.

## APPOINTMENT

The Commodity Controls Committee was constituted under the Ministry of Commerce and Industry vide their Memorandum No. 24(31)-PC/52 dated October 24, 1952.

## TERMS OF REFERENCE

- (a) To examine and review the working of:
  - (i) The Essential Supplies (Temporary Powers) Act, 1946;
  - (ii) The Supply and Prices of Goods Act, 1950;
  - (iii) The Drugs (Control) Act, 1950, and the Orders and Notifications issued thereunder;
- (b) To make recommendations for the revision or repeal of any of the said laws with a view to improving the existing systems of controls; and
- (c) To streamline the Control Orders and Notifications.

## CONTENTS

Introductory; Origin and Present Position of Commodity Controls; Effects of Commodity Controls on the Economy of the Country; Continuance of Commodity Controls; Enforcement of Control Laws; Improvement of the Control System; Fixation of Prices; The Essential Supplies (Temporary Powers) Act, 1946; Food Stuffs and Fodder; The Essential Supplies (Temporary Powers) Act, 1946; Raw Cotton and Textile (Cloth and Yarn); The Essential Supplies (Temporary Powers) Act, 1946; Coal and Salt; The Essential Supplies (Temporary Powers) Act, 1946; Iron and Steel; The Supply and Prices of Goods Act, 1950; The Drugs (Control) Act, 1950; Summary of Recommendations; Appendices I to V.

## RECOMMENDATIONS

There are times when controls are necessary and equally at times controls are harmful. Controls can, however, be used for a positive purpose. For planned progress in the economic field, the Government must,

in the last analysis, retain the powers of overall guidance and control.

The controls of all essential commodities should be regulated on an all-India basis.

The maximum imprisonment for any offence against control laws need not be more than three years.

The trial of control offences should be concluded within the minimum possible time.

A sound system of numbering the Orders and Notifications and amendments thereto should be evolved so that everyone concerned can easily check the up-to-date position of the control laws.

Each officer in charge of the administration of controls should maintain master copies, brought up to date, of the Control Orders and Notifications with which they may be concerned, and a complete list of all amendments to such Orders and Notifications.

Whenever it is necessary to control prices by law, every effort should be made to make a thorough examination of all the factors involved, to assess the long-term effects of the policy no less than its immediate effects and to ensure that the policies followed in allied economic fields are not such as to undermine the effectiveness of the control measures.

To avoid liability from adulteration the manufacturers of vegetable oil products should devise a method of sealing the tins with their seals and warning the consumers not to buy tins which show signs of having been tampered.

The Central Government should keep a watch on the restrictions imposed on oilcakes and ensure that they are not abused or kept in force beyond the barest minimum period which the emergency may require.

A definite announcement should be made each year regarding floor and ceiling prices of cotton, even if it is intended that there should be no change in the prices. This announcement should be made before the end of June at the latest.

Special efforts should be made to create coal dumps in the South in central places like Madras and Bangalore to assure regular supplies of coal to industries.

Some control over quality of re-rolled steel is desirable, especially when it is used for constructional purposes, where there may be danger to human life if the material is below standard.

The suggestion that dealers and producers of drugs and medicines should mark prices on the drugs and medicines sold by them is commended to them.

# CALENDAR REFORM COMMITTEE, 1952—REPORT

New Delhi, Council of Scientific and Industrial Research, 1955. 280p, xiip.

Chairman : Prof. M. N. Saha.  
Members : Prof. A. C. Banerji; Dr. K. L. Daftari;  
Shri J. S. Karandikar; Dr. Gorakh  
Prasad; Prof. R. V. Vaidya.  
Secretary : Shri N. C. Lahiri.

## APPOINTMENT

The Calendar Reform Committee was constituted under the Council of Scientific and Industrial Research in November, 1952.

## TERMS OF REFERENCE

(i) To examine all the existing calendars which are being followed in the country at present after a scientific study of the subject.

(ii) To submit proposals for an accurate and uniform calendar for the whole of India.

## CONTENTS

Message from the Prime Minister; Members of the Calendar Reform Committee; Translation; Preface; Part A: Introductory; Appointment of the Committee; Final Recommendations of the Committee; Annexure I to VIII; Part B: Explanation; Reformed Calendar of India for each month of the five years 1876 to 1880 Saka; General Rules for Religious Festivals; Lunar Festivals; Solar Festivals; Criteria of Some Festivals for South India; Certain Special Tithis and Combinations; Certain Special Yogas; Tithis, Nakshatras, Muhurtas and their Lords; Yogas and Karanas; Alphabetical List of Festivals; Sunrise and Sunset for certain Important Places; List of Holidays; Part C: History of the Calendar in Different Countries through the Ages; General Principles of Calendar Making; The Solar Calendar; The Luni-Solar and Lunar Calendars; Calendaric Astronomy; Indian Calendar; Corrigenda and Addenda; Bibliography; Index.

## RECOMMENDATIONS

The Committee recommends that the unified National Calendar should be used uniformly in all States of India for civil purposes wherever necessary, in place of local calendars.

### Civil Calendar

The Saka era should be used in the Unified National Calendar. The year 1954-55 A.D. corresponds to 1876 Saka, in other words the year 1954 A.D. corresponds to 1875-76 Saka.

The year should start from the day following the vernal equinox day.

A normal year would consist of 365 days while a leap year would have 366 days. After adding 78 to the Saka era, if the sum is divisible by 4, then it is a leap year. But when the sum becomes a multiple of 100, it would be a leap year only when it is divisible by 400, otherwise it would be a common year.

Caitra (pronounced as Chaitra) should be the first month of the year, and the lengths of the different months would be fixed as follows:

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Caitra	(31 days in a leap year)	30 days
Vaisakha		31 days
Jyaistha		31 days
Asadha		31 days
Shravana		31 days
Bhadra		31 days
Asvina		30 days
Kartika		30 days
Agrahayana (Margasirsa)		30 days
Pausa		30 days
Magha		30 days
Phalgun		30 days

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The dates of the reformed Indian Calendar would thus have a permanent correspondence with the dates of the present Gregorian Calendar.

The corresponding dates are as follows:

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Caitra	1	March 22 in a common year and March 21 in a leap year
Vaisakha	1	April 21
Jyaistha	1	May 22
Asadha	1	June 22
Shravana	1	July 23
Bhadra	1	August 23
Asvina	1	September 23
Kartika	1	October 23
Agrahayana	1	November 22
Pausa	1	December 22
Magha	1	January 21
Phalgun	1	February 20

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The Indian seasons would thus be permanently fixed with respect to the reformed calendar as follows:

COMMITTEES AND COMMISSIONS



Seasons	Calendar Months
Grisma (Summer)	Vaisakha and Jyaistha
Varsa (Rains)	Asadha and Sravana
Sarat (Autumn)	Bhadra and Asvina
Hemanta (Late Autumn)	Kartika and Agrahayana
Sisira (Winter)	Pausa and Magha
Vasanta (Spring)	Phalgun and Caitra.

#### Religious Calendar

The calculation of Solar (Saura) months necessary for determining the lunar months of the same name will start 23°15' ahead of the vernal equinoctial point. This tallies with the present practice of most almanac-makers.

As usual the lunar months for religious purposes would commence from the moment of New Moon and would be named after the Saura Masa in which the New Moon falls. If there be two New Moons during the period of a Saura Masa, the lunar month beginning from the first New Moon is the Adhika or Mala and the Lunar Month beginning from the moment of the second New Moon is the Suddha or Nija, as usual.

The moments of the moon's exit from a Naksatra division of 13°20' each or the sun's entry into it would be calculated with a valuable Ayanamsa, i.e., on the supposition that they are fixed with respect to the stars.

The value of this Ayanamsa would amount to 23°15' 0'' on March 21, 1956. Thereafter it would gradually increase with the usual annual rate, the mean value of which is about 50''.27.

The day should be reckoned from midnight to midnight of the central station (82½° E. Long. and 23°11' N. Lat.) for civil purposes, but for religious purposes the local sunrise system may be followed.

For the purpose of all calculations, the longitudes of the sun and the moon should be obtained by applying the most up-to-date and complete equations of their motions, so that they may tally with their observed values.

Steps should be taken to compile an "Indian Ephemeris and Nautical Almanac" by the Government of India, showing in advance the positions of the sun, the moon, planets and other heavenly bodies. The Indian Calendar—both civil and religious—prepared according to the above recommendations should be included in that publication every year.

A permanent Standing Committee to be called the Indian Ephemeris and National Almanac Committee may be constituted for this purpose and attached to a scientific department of the Government of India.

Steps should be taken to establish a National Astronomical Observatory at a suitable place, provided with modern equipment, apparatus and time-service.

## TRAINING AND EMPLOYMENT SERVICES ORGANIZATION COMMITTEE, 1952—REPORT

New Delhi, Ministry of Labour, 1954. 252p.

Chairman : Shri B. Shiva Rao.

Members : Shri Hariraj Swarup; Shri Ratan Lal Malviya; Shri V. K. R. Menon; Shri C. S. Menon; Shri G. K. Chandiramani; Shri P. M. Sundaram (replaced by Shri R. K. Rangan).

Secretary : Shri F. M. Nathaniel.

#### APPOINTMENT

The Training and Employment Services Organization Committee was constituted under the Ministry of Labour vide their Notification No. RCO-320(2) dated November 10, 1952.

#### TERMS OF REFERENCE

To assess the need for the continuance of the Resettlement and Employment Organization in the con-

text of the country's economic and social development and to suggest with reference to such need what its future shape should be. In particular:

(a) To enquire into the whole question of the future of the Resettlement and Employment Organization and examine whether part of the Organization should be transferred to the State Governments or not; in the latter event, what degree of superintendence and control should be retained by the Central Government;

(b) To assess the results obtained by the Employment Exchanges and Training Schemes, including the Scheme for the Training of Instructors and Supervisors at the Central Institute, Koni-Bilaspur;

(c) To consider on what basis the Training Schemes should be continued and whether the present system of granting stipends should be abolished or modified;

(d) To examine whether there should be further

expansion of Employment Exchanges and Training Programmes consonant with the increased requirements of the country;

(e) To consider whether legislation should be introduced making it obligatory for industry to recruit personnel, at least in the larger industrial centres, through Employment Exchanges; and

(f) To consider whether the Government should make a small levy from employers and/or employment seekers in order to finance part of the cost of the Organization.

## CONTENTS

Introduction; Part I: Employment Service in India—A Historical Survey; General Administrative Organization; Review of Work Performed by the Employment Exchanges; Shortcomings and Defects in the Existing Organization; Need for an Employment Service; Administration and Financing of the Employment Service Organization; Scope of the Employment Exchanges; Functions, Programme and Procedure; Utilization of Employment Exchange Facilities; Proposed Plan of Organization of the Employment Service under a Central-State System; Part II:—Training Schemes for Craftsmen sponsored by Central Government—A Historical Survey; Present Training Schemes of the D.G.R.&E.; General Administrative Organization; Training of Craftsmen and Instructors—A Plan for the Future; Future Administrative Organization; A Note by Shri Hariraj Swarup; Summary of Recommendations; Appendices.

## RECOMMENDATIONS

### Need For An Employment Service

The Employment Exchange Organization should be placed on a permanent footing without further delay.

Additional Employment Exchanges should be set up only when the need for such is fully established.

### Administration And Financing Of The Employment Service Organization

With the object that the Employment Exchange Organization might continue to function as a nationwide system and at the same time be integrated with the plans and programmes of the States, day-to-day administration of the Exchanges should be handed over to the States, the Central Government being responsible for laying down policy and standards and for co-ordination and supervision of the work of the Employment Exchanges.

The Central Government should continue to bear the entire cost of the Central Headquarters, while State Governments should provide, at their cost, the necessary accommodation for the Employment Exchanges.

The expenditure of the Central Government on the Employment Exchange Organization should not on the whole be reduced from the present level.

### Scope Of The Employment Exchanges

Employment Exchanges should render assistance to all employment seekers who seek their assistance. They should stay away from traditional assembly points, work sites or other places where workers assemble on their own and where they (Employment Exchanges) can make no positive contribution towards the employment process.

Employment Exchanges should not register applicants for jobs for which they do not possess the prescribed qualifications or satisfy conditions laid down by the respective State Governments from time to time.

In cases where the wages or salary offered is so unreasonably low that the time of the Exchange is likely to be wasted in trying to get the men required, the Exchange should explain the position to the employer and not accept such vacancies. In regard to employment in respect of which minimum wages have been fixed under the Minimum Wages Act, 1948, the Exchanges should not accept vacancies which violate the provisions of the Act.

### Functions, Programme And Procedure

Employment Exchanges should make adequate seating arrangements for callers and for the prompt handling of their requests.

Verification of character and antecedents of applicants should be the responsibility in the main of the employers themselves. Employment Exchanges should not let their selection of applicants be influenced mainly by the opinion regarding their character expressed by their previous employers.

Even in the case of employed persons, the basic referral policy, viz., that the best qualified applicant should be submitted, should apply.

The present practice by which Government employers request nomination of particular individuals is likely to lead to abuse and should be stopped.

Completion of Index Cards is not necessary in the case of unskilled workers. Vacancies for unskilled workers should not be formally registered, nor should any formal submission be made against them.

State Governments may, however, consider it necessary that Employment Exchanges should participate more actively in some special cases of large-scale recruitment of unskilled workers so as to eliminate exploitation of such workers by intermediary agencies.

More comprehensive information should be furnished to the Exchanges regarding the terms and conditions attached to the vacancies to be circulated.

The work at present handled by the Regional

Employment Co-ordination Offices located at the Regional Employment Exchanges should be transferred to the State Headquarters.

The Employment Service should develop standardized aptitude tests and trade tests to assess wherever necessary the aptitude and/or proficiency of applicants desiring training or employment in skilled trades.

Suitable tests should be developed in respect of the general clerical categories denoted by the Trade Index Numbers N. II. 14 and N. II. 15, specifically in regard to fresh entrants to the employment market.

The Central Headquarters of the Service should undertake responsibility for the development and standardization of tests and for imparting training to Employment Officers in the administration of the tests.

Side by side with the development of trade tests, the Service should undertake, in collaboration with technical experts and representatives of workers, industry and the Government, the task of standardizing definitions of skills and functions of the different types of tradesmen.

If the Exchanges are to achieve the overall objective of the Service, a counselling programme is essential. Advice in the choice of a career or an occupation should be made available to all who need such advice.

Employment Exchanges should maintain a close liaison and develop co-operative arrangements with schools and colleges and other agencies engaged or interested in vocational guidance.

Mobile Sections as a normal feature of Employment Exchange work should be discontinued.

Employment Exchanges should collect comprehensive information on a continuing basis regarding the supply as well as the current and anticipated demand for labour in all its aspects.

Effective steps should be taken to ensure that each Employment Exchange carries out a programme of visits to employers in the Exchange area on a pre-planned and continuous basis. Special staff should be provided for the purpose wherever necessary.

Central Headquarters should also establish and maintain regular and systematic contacts with national organizations of workers so that all policies regarding Employment Exchange operations might be framed with due regard to their viewpoint also.

The Central Headquarters should arrange to issue a periodical bulletin dealing with all topics of interest relating to the Service.

Before deciding on the continuance or abolition of the existing schemes, the whole matter should be reviewed by the State Governments concerned.

Training of staff should continue to form an important part of the overall programme of the Employment Service.

## Utilization Of Employment Exchange Facilities

In so far as the Central Government Departments are concerned, the existing arrangements should continue and the Employment Exchange Organization should as hitherto perform the role as the main agency for recruitment to Central Government employment, reflecting Central Government policy in the matter of priority for those categories for whom the Central Government has assumed moral responsibility to provide employment.

Recruitment to State Government vacancies and vacancies under Local Bodies should be made through the Employment Exchanges. The scope of this compulsory measure should be the same as in the case of Central Government vacancies. The obligation to recruit through the Employment Exchanges should apply equally to all State-owned enterprises and to all quasi-Government and Statutory Bodies.

No fee should be levied on employers or employment seekers who seek the assistance of the Employment Exchanges.

## Proposed Plan Of Organization Of Employment Service Under A Central-State System

The Employment Exchange Organization, with the Central Headquarters, State Administrative Offices and Employment Exchanges, should constitute a unit by itself and be renamed as the "National Employment Service".

The Directorate of Employment Exchanges, which should perform the role of the Central Headquarters of the National Employment Service, should be redesignated as the Department of National Employment Service. The Department should function as an Attached Office, headed by a Director of National Employment Service, under the Ministry of Labour.

The services of an experienced officer should be obtained through the I.L.O. or the Colombo Plan or other similar agencies to assist the Director in organizing programmes of counselling and testing and occupational analysis and research.

For administrative purposes, the Employment Service in the States should be placed under the Department of Labour or, where a separate Department of Labour does not exist, under the State Government authority responsible for the administration of labour laws.

State Governments should establish, under their Departments of Labour, State Directorates of Employment Service placed under the charge of State Directors.

The present location of Employment Exchanges should be reviewed in the light of the principles enunciated in the Report and necessary changes brought about.

The Department of National Employment Service should, on the basis of objective studies, develop standards to help State Governments to assess the staff strength of individual offices in relation to the actual work performed.

#### **Training Of Craftsmen And Instructors—A Plan For The Future**

The training facilities now provided in the centres run by the D.G.R.&E. should be integrated with similar facilities provided by State Governments, the administrative responsibility for the D.G.R.&E. Scheme being also transferred to State Governments.

Neither the Central nor the State Governments should decrease their respective current level of expenditure on technical training as a whole.

The Ministry of Labour should assume the overall responsibility and continue to lay down policy for the craftsmen's training of labour. Within the Ministry of Labour itself, responsibility for the organization of training should be entrusted to a Department of Training with a Director at the head.

Selections for admission to the training centres

should be based on the result of suitable tests and industry should be closely associated with the selections.

The Central Training Institute for Instructors should be placed on a permanent footing and should continue to remain the direct responsibility of the Government of India.

Early steps should be taken to provide the Institute with more up-to-date equipment.

#### **Future Administrative Organization**

The Directorate of Training should be transformed into a separate Department under the Ministry of Labour, with the status of an Attached Office. The Department, which may be designated as the Department of Training, should be headed by a Director of Training, who should be responsible to the Secretary in the Ministry of Labour and through him to the Minister of Labour.

The staff of the Department of Training should, in addition to the Director, comprise one Deputy Director, five Assistant Directors and one Section Officer with a complement of Class III and Class IV staff as indicated in the body of the Report.

## **TEXTILE ENQUIRY COMMITTEE, 1952—REPORT**

**Delhi, Manager of Publications, 1954. 3 Vols.**

**Chairman :** Shri Nityananda Kanungo.

**Members :** Shri H. C. Dasappa; Shri V. N. Tivary;  
Shri A. R. Bhat; Prof. S. K. Muranjan;  
Prof. R. Balakrishna; Prof. S. K. Basu;  
Shri S. P. Chopra; Shri T. Swaminathan;  
Shri S. Subramanian.

**Secretary** Shri M. S. Ramnath.

#### **APPOINTMENT**

The Textile Enquiry Committee was constituted under the Ministry of Commerce and Industry vide their Resolution No. CT (A)/52 dated November 25, 1952.

#### **TERMS OF REFERENCE**

(i) An examination of the structure and organization of the various sectors of the cotton textile industry;

(ii) A study of the nature and volume of the demand for cotton textiles internally as well as in the export market;

(iii) An assessment, if possible, of the extent to which each of the three sectors may be utilized for the

production of cotton textiles, having in view the following factors:

(a) Providing supplies of cotton textiles at reasonable prices for internal consumption;

(b) Ensuring maximum earning of foreign exchange;

(c) Utilization of our resources both in men and material in the direction that is socially most desirable;

(d) The size, organization, and the lines of development of each sector including reservation, if necessary, of particular fields of production to one or more sectors; and

(iv) An inquiry into all other matters incidental and ancillary; and make suitable recommendations to the Government.

#### **CONTENTS**

**Vol. I:** Introductory; Structure and Organization of the Textile Industry of India; The Demand for Cloth Internally and in the Export Market; Pattern for the Future; Summary of Conclusions and Recommendations.

tions; Acknowledgments; Vol. II: Tables I to III; Annexure A to G; Vol. III: Annexure G to S.

## RECOMMENDATIONS

Much of the equipment of the industry, however, is old and somewhat out of date and needs replacement.

It is very desirable that the handloom weaver through the length and breadth of the country should be organized into a sound co-operative fabrics in such a way that the society keeps the weaver employed at a reasonable wage steadily in good times and in bad and the weaver for his part is pledged to purchase his raw materials, dyes, etc., from the society and market, as much of his products through the society as it can handle.

It is of great importance both for reasons of earning foreign exchange and for reasons of maintaining employment in the mill and, even more so, in the handloom industry that every effort should be made to promote exports up to a figure of 1,000 million yards a year.

As the manufacturing charges are a considerably larger fraction of the final cost in superfine and fine goods as contrasted with coarse and medium goods (where raw material costs are the larger element in costs), it is obvious that we would earn a great deal more by exporting fine and superfine varieties (after allowing for payments for imports of cotton).

Again in all categories, we would earn a good deal more by exporting dyed, printed, and finished goods rather than grey goods.

In a country such as India, where the requirements of resources for the development of the basic projects are large and the progress of capital formation is slow owing to the low levels of income and of the margin available for saving, the husbanding of capital resources for such projects appears essential.

The maintenance over the short term of a relatively less efficient means of production in use in order to sustain the levels of employment while alternative employment is being generated by the fruition of the larger and basic projects also appears inevitable. In the process a slightly higher price of such consumer goods is inescapable.

As a rough guide, it may be taken that 60,000 powerlooms and 1.5 lakh improved (semi-automatic) handlooms should replace the 3 lakh ordinary handlooms over the six-year period.

An annual conversion of 20,000 handlooms into 10,000 powerlooms and of roughly 38,000 handlooms into 25,000 improved (semi-automatic) looms has to be planned.

As far as possible, preference should be given to co-operative institutions and their members for bringing about this conversion.

If conversion through the co-operative organization does not take place at a fast pace, then there should be a larger resort to private enterprise in the form of, say, joint stock companies.

The Committee states emphatically that it is of the opinion that the ownership of the loom must, except in the case of existing karkhanas (factories), vest under all circumstances in the weaver, whether the form of organization adopted is the co-operative or the joint stock company.

In the case of the existing karkhanas, the conversion may be on the basis of the average number of looms working daily on 250 days in a year at the rate of two handlooms to one powerloom or three handlooms to two improved (semi-automatic) handlooms.

The karkhana is to be the last in priority for the purpose of conversion, preference being given to co-operative organizations and joint stock companies wherein the weavers have a share in the profits.

In order to secure the necessary speed of conversion, the Committee is of the opinion that private enterprise should also be harnessed.

The Committee recommends the continuance of the existing arrangements of bulk purchase by the Central Co-operative or other organizations reinforced by the setting up of at least a few co-operatively owned spinning mills on the pattern of the mill recently started at Guntakal and the mill being projected for Tinnelveli in Madras State.

The Committee endorses very strongly the view of the All-India Handloom Board that as much as possible of the handloom industry must be brought within the co-operative fold at as rapid a pace as possible.

The principle of assisted sales with some feasibility should continue wherever the small sector is in genuine need of such assistance.

At least for the export market the manufacture of coarse and medium plain clothes like sheetings ought to be allowed on automatic looms in order to ensure both higher quality that is possible on these looms and a reduction in costs, in order to enable Indian mills to compete the better with countries which produce plain cloths on automatic looms.

Matters of design, weavers, etc., are evidently such as have to be the subject of research on a regional basis. Technical and technological questions such as fibre and yarn strengths, techniques, dyeing and finishing, etc., are subjects which may appropriately be dealt with on a basis other than strictly local or regional.

Statistics will become immediately essential in order that the scheme of conversion of handlooms into improved handlooms and powerlooms may be properly executed without undue hardship to any particular area or undue preference to any others.

The Committee would recommend that a scheme of quality marking similar to that run by the U.P. Government for handloom fabrics should be adopted widely on a voluntary basis for the handloom industry (or the improved handloom or domestic powerloom industry) so that some standardization of quality may become possible.

The All-India Handloom Board must be expanded and greatly strengthened in order to provide the necessary knowledge, executive ability, energy and drive.

On the All-India Handloom Board, it is essential to have, in particular, people with extensive practical experience of organizing the handloom industry in the co-operative fold.

## INQUIRY INTO FINANCIAL AND OTHER IMPLICATIONS RELATING TO THE CREATION OF THE NEW ANDHRA STATE, 1952—REPORT

New Delhi, Ministry of Home Affairs, 1953. 66p.

Official On

Special Duty : Mr. Justice K. N. Wanchoo (one-man enquiry).

### APPOINTMENT

The Government of India have decided to establish an Andhra State and the Prime Minister made the following statement on December 19, 1952, in the House of the People in that connection:

"In furtherance of the statement I made in the Council of States on the 9th December, 1952, and in terms of that statement, the Government of India have decided to establish an Andhra State consisting of the Telugu-speaking areas of the present Madras State, but not including the City of Madras and intend to take early steps to this end in accordance with Article 3 of the Constitution. The Government are appointing Mr. Justice K. N. Wanchoo, Chief Justice of the Rajasthan High Court, to consider and report on the financial and other implications of this decision and the questions to be considered in implementing it. Mr. Justice Wanchoo will report by the end of January, 1953. On receipt of this report, the Government will take other necessary steps. They are anxious to avoid all possible delay in establishing the new State. They hope that the establishment of this State will be brought about with the friendly co-operation of all the people concerned."

### TERMS OF REFERENCE

The Terms of Reference were as follows which were intimated on January 5, 1953:

"Chief Justice Wanchoo will set out, consider and report on the financial and other implications of this division and the various questions which will arise in the course of implementing the decision of the Government of India more particularly by reason of the non-

inclusion of the City of Madras in the Andhra State. For the consideration of the whole problem he will receive representations from such individuals, groups, organizations and parties as he may think fit and hear their representatives, if they desire to be heard. He may, if he so chooses, tour the different parts of the Telugu-speaking districts if he considers that it will facilitate the execution of the task entrusted to him. He will submit his report by the 31st of January, 1953."

### CONTENTS

Introductory; Report; Annexures I to VII.

### RECOMMENDATIONS

#### Boundaries Of The New State

The new State has to be carved out of the following 12 districts of the present Madras State, namely, (1) Srikakulam, (2) Visakhapatnam, (3) East Godavari, (4) West Godavari, (5) Krishna, (6) Guntur, (7) Nellore, (8) Kurnool, (9) Anantapur, (10) Cuddapah, (11) Chittoor, and (12) Bellary.

#### Appointment Of A Boundary Commission

If the Government of India so desire, a Boundary Commission may be appointed for the purpose. I feel, however, that it would be better to wait for some time till the new State has stabilized so that the emotional upheaval, which is visible at present, settles down. If a Boundary Commission were to be appointed at once before the new State has settled down, the excitement will continue and the process of organization of the new State will be retarded. Further if it is decided to have the temporary capital of the new State in Madras City for some time (a matter with which I shall deal later in this report), it would be advisable not to appoint the Boundary Commission till the temporary capital remains in Madras. Further, areas which will

go from one side to the other are not very large and if the Government of India do not desire to correct these boundaries, it may not be necessary to appoint a Boundary Commission. The correction will be a small matter in itself but it will raise a good deal of emotion and it may, therefore, not be worth while to appoint a Boundary Commission at all. The matter could be easily settled by taking the population firka-wise. A "firka" is a sub-division of a Taluk and a Taluk is an equivalent of a Tehsil. It is not necessary that there should be a village-wise correction of boundaries, and firka-wise correction can be easily made without the appointment of a Boundary Commission if the Census figures of 1951 are accepted as correct. I may mention, however, that interested parties against whom these figures go have already started challenging the correctness of these figures, and would like to have a plebiscite in these matters.

#### Capital Of The New State

There is no one place where the temporary capital can be shifted at once (with perhaps the possible exception of Waltair-Visakhapatnam with which I shall deal later). The best solution would be to allow the temporary capital of the new State to be located in the City of Madras for a period of three to five years at the outset. It should be clearly understood that the jurisdiction over the City of Madras will in all matters rest in the residuary State and the Government of the new State will merely be in the nature of guests or tenants in Madras City. In any case if the temporary capital of the new State is located in Madras City, it will be for the Government of India to make it clear that the location is only temporary, for a fixed period, and to see that the Andhra Government gets out after the period is over. This solution is, in my opinion, the best and if it can be enforced, it will minimize many of the difficulties inherent in the birth of a new State. If, however, for any reason it is not possible to locate the Andhra capital even temporarily in Madras City for a limited period, an alternative solution has to be looked for.

That alternative solution is to shift certain essential parts of the Government from Madras City at once. These essential parts are the Governor, the Legislature, the Ministers, and the Secretariat and certain other essential Heads of Departments like the Inspector-General of Police. The one place in Andhra Desa to which all these officers can be shifted (though even there difficulties will be great) is Waltair-Visakhapatnam. There are a number of large vacant buildings available there. Some of these are not in very good condition but they can be made to serve the purpose with small expenditure on repairs. The Headquarters of the District will have to be shifted from there to Vizyana-

gram where, I understand, there is sufficient space for their location, though here again difficulties will be felt. It should, however, be clearly understood that this shift to Waltair-Visakhapatnam is merely for the temporary location of the capital. This place is at one end of the new State and would, from the geographical point of view, be inconvenient as a permanent capital. Waltair-Visakhapatnam has already got a harbour and the university and is a city which will grow whether the capital is placed there or not. It will be best to have all the important organs of the Government at one place. The task of organization and settlement will require day-to-day consultations and these will be facilitated if all the important organs of the executive Government are, as far as possible, in one place. That is why I have suggested a place which is in one corner of the new State for the temporary location of the capital for a period of, say, five years till the new State builds a permanent capital at a more suitable place. This alternative solution should only be thought of if it is not possible to locate the temporary capital of the new State in Madras City even for the short period mentioned by me above.

#### High Court

So far as the permanent location of the High Court is concerned, the main question, however, is about the temporary location of the High Court of the new State and whether there should be a separate High Court for the new State from the very beginning. In one sense, the High Court is a smaller institution than the executive Government because the number of judges, officers and clerks employed in the High Court is smaller than the number of Ministers and officers and clerks in the Secretariat. It is, therefore, even more necessary that the High Court should remain in Madras for some time to come and the period at which I would put it would be longer than the period I have recommended for the executive Government. It will, therefore, be conducive to efficiency and will lead to least disturbance if with the creation of the new State the jurisdiction of the Madras High Court is extended to it under Article 230 of the Constitution.

But as the High Court will be looking after two States, certain conventions may have to be observed in order that there may not be friction in the day-to-day working. The Andhra Wing may consist of six judges and the Non-Andhra wing of the remaining nine judges. It may be left to the Chief Justice and the judges to separate these two Wings. The Chief Justice will preside over both the Wings. I understand that it would be possible for the High Court to work this convention satisfactorily till a separate High Court can be conveniently created for the new State after five to 10 years.

As for the expenses of the High Court, I understand that the income from Court fees, stamps, etc., in the High Court is sufficient to meet the expenses. All this income should go to the residuary State and the residuary State should meet all the expenses of the High Court. The Madras High Court having extended jurisdiction for a period of five to 10 years over Andhra State to begin with will be most conducive to efficiency and cause least disturbance to the litigant public and the lawyers and others. It is true that a separate High Court will have to come one day but the public will have notice of it well in advance as soon as the new State starts constructing a building for the High Court. The shifting will be so sudden after this period of five to 10 years is over that everybody would be expecting it to take place.

Finally, if, for some reason, the High Court has also to be separated and moved out of Madras City at once (though I would strongly recommend against this course), it may be located in Guntur till such time as proper buildings can be constructed for it in the place which is eventually decided upon as its permanent seat.

#### Governor

It would be advantageous to have a separate Governor for the new State from the very beginning, whether the temporary capital is at Madras City or not. The new State will have a large number of problems and a whole-time Governor would be desirable so that his advice and guidance may be available all the time. It is also possible that there may be problems in which the interests of the new State and the residuary State might conflict. In such circumstances the position of a common Governor would be embarrassing. If the temporary capital of the new State remains in Madras City, its Governor can also stay there. There should be no difficulty in the matter of precedence as the Governor of the new State will be outside his State and will therefore rank below the Governor of the residuary State at all times. So long as the temporary capital is in Madras City, his permanent residence should be there. It would perhaps be difficult to find a suitable residence for the Governor just now in any town of the new State with the possible exception of Waltair-Visakhapatnam. If the new Governor likes, a suitable place can be arranged for him at Waltair in one of the palaces of Rajahs which are lying vacant there. But if the temporary capital remains in Madras City, he will have to live there for most of the time and it should not be difficult to find a suitable residence for him there.

#### PUBLIC SERVICE COMMISSION

It would be better if a separate Public Service Commission is established for the new State from the

very beginning consisting of a Chairman and two members. The office of the Public Service Commission is a small one and should be shifted at once to a central place in the new State. I suggest that it may be shifted to Guntur where it will be possible to find accommodation for it.

#### Facilities For Andhras In Institutions In The Residuary State

As Madras City has been excluded from the new State, the question of providing facilities in Government hospitals and educational institutions has to be explored. When this matter was considered by the Partition Committee presided over by Shri P. S. Kumaraswamy Raja in 1950, the following provision was made at paragraph 16 of the Annexure (I) of that Committee's report:

"(1) The provisions of this paragraph shall be in force for 25 years commencing on the appointed day and shall have effect with respect to such Government hospitals and educational institutions in Madras City as before the appointed day served the areas included in both the provinces,

(2) There shall be reserved for the Andhra Province either,

(a) The specific number of places reserved for residents in the Andhra Province immediately before the appointed day, or

(b) If a specific number of places was not so reserved, a number of places as near as may be equal to the average number of places filled by residents in the Andhra Province during the three years immediately preceding the appointed day.

(3) The charge for admittance to the aforesaid institutions shall be the same for persons of both the provinces provided the excess of recurring expenditure in any year over the receipts during that year in respect of each such institution shall be divided between the two provinces in proportion to the number of persons admitted from each province.

(4) If for any five consecutive years after the appointed day the Andhra Province fails to fill any of the places so reserved, the right of that province to that place shall lapse."

The educational facilities should be available for Andhras in the residuary State for some time till they can make arrangements of their own. These facilities should be available only in Government institutions; so far as private institutions in the two States are concerned, they may be left to regulate their admissions as they consider best.

For this purpose the educational and training institutions should be divided into two categories. The first category consists of institutions which only exist



in the residuary State, e.g., the Veterinary College in Madras City and the King Institute at Guindy and others of this kind. In the case of these institutions 36% of the seats should be reserved for students from the new State. For this purpose the students from the new State would be those who are residents of the area comprising the new State, whatever may be the language that they speak. If any seat so reserved is not filled in any year, it may be filled by admitting students from the residuary State; but the right to the seat should only lapse if for five consecutive years the new State fails to fill up the seat, as provided in Clause 4 of the paragraph from the Partition Committee's Report quoted above. It may be added that if there are institutions in the new State for which there are no counterparts in the residuary State, the same principle would apply and students from the residuary State to the extent of 64% should be admitted to those institutions. The expenses should be shared as provided in Clause 3 of the paragraph quoted above.

The second category is of institutions in the residuary State which have their counterparts in Andhra Desa also, e.g., Engineering, Law, Medical and Agricultural colleges, etc. In such cases the new State should use the entire seats available for its own students and if there is any deficiency compared to the total number of seats available to Andhra students on the date of separation, that deficiency should be made up by reserving statutorily seats in institutions in Madras City to the extent required. Complete figures are not available to me on account of the shortness of time; but I understand there will be deficiencies in professional colleges of this kind and to that extent facilities will have to be provided for Andhra students (i.e., students resident in the areas of the new State whatever their language) for some years.

Another point which may be made clear is about Government hospitals. The paragraph quoted above reserves a number of places for the Andhra Province in Government hospitals in Madras City. So far as these places are required for training of students, there is no objection to reservation on the principles which I have already set out; but if the intention was that beds for patients should also be reserved in a certain proportion, I must say that is not right. So far as patients are concerned, the principle must be first come first served. No non-Andhra should be refused admission to a Government hospital on the ground that the bed available is earmarked for an Andhra. Similarly, no Andhra should be refused admission on the ground that the bed is earmarked for a non-Andhra. Admission of patients should be left to the discretion of the doctors entirely.

At present colleges in the five Rayalaseema districts

are affiliated to Madras University. It may be that with the creation of the new State the affiliation of these colleges may be changed and they may be affiliated to Andhra University. If that happens, provision should be made for at least one year, and, if necessary, three years, that boys reading in the institutions in Rayalaseema should continue to appear at the examinations of Madras University. Such provision is common whenever a change of this kind takes place and there should be no difficulty about providing for it.

Another question raised is about the selection of students for the seats reserved for Andhras in institutions in the residuary State. It seems to me that the correct thing is that the selection should be made by the new State and the names of students supplied to the institutions concerned for admission. I should like to make it clear that for purposes of admissions to Government educational institutions and hospitals a non-Andhra should be one who is resident in the area under the new State whatever the language he speaks and a non-Andhra is one who is resident in the residuary State whether he speaks Tamil, Telugu, Kanarese, Malayalam or any other language.

Lastly, some provision would also have to be made for students of Rayalaseema who appear within the period of adjustment allowed in the examinations of Madras University and fail. Such students should be allowed to appear at the examinations of Madras University.

#### Sri Baug Pact

The Pact was approved by the Andhra Pradesh Congress Committee and its terms are:

**University:** This Committee is of the opinion that two University centres are to be developed under Andhra University, one at Waltair and the other at Anantapur, so as to distribute the centres of culture over the Andhra Desa and create opportunities for social and cultural intercourse amongst the Andhras and locate colleges in areas favourable to the subjects dealt with.

**Irrigation:** That, to ensure the rapid development of the agricultural and economic interests of Rayalaseema and Nellore on to the level of those in the coastal districts, schemes of irrigation should, for a period of 10 years or such longer period as conditions may necessitate, be given a preferential claim specially in respect of the utilization of the waters of the Tungabhadra, Krishna and Pennar, giving for 10 years exclusive attention in respect of major projects beneficial to these areas.

That whenever the question of the sharing of waters arises, the needs of the aforesaid areas be first met

and that this policy be implemented as from today in the administration of the province.

**Legislature:** That, in the matter of general seats in the Legislature, the distribution shall be generally on an equal district basis.

It is agreed that the location of the University, the Headquarters and the High Court may advantageously be in different places, so as not to concentrate all civic importance at the same centre.

Accordingly, it is agreed that, while the University may continue to be where it is, the High Court and the Metropolis be located in suitable places in the coastal districts and the Rayalaseema, the choice being given to the Rayalaseema.

It shall, however, be open to vary these terms by common consent.

#### Division Of Services

(1) Non-gazetted staff in the districts.

(2) Non-gazetted staff in the Secretariat, in Regional offices and offices of Heads of Departments.

(3) State Services, i.e., officers of gazetted rank.

(4) All-India Services.

Those Government servants who are in temporary service (whatever may be the period for which they may have served) will not be considered for division. If such temporary staff become surplus, their services will be dispensed with.

The second main principle which must be kept in view is that the two States should, on division, have a balanced cadre in each Service as far as possible. In order to get this balanced cadre, the division may be made taking the officers and the staff in groups of, say, three to five years, whichever may be convenient.

Another principle which should be applied in the same connection is this:

There is likelihood of an increase in the cadre to a certain extent on account of the creation of the new State. Wherever there is such an increase in the cadre, the benefit of that increase should be given to the new State and the residuary State should take its full complement of the staff from the existing personnel. The matter may be briefly illustrated by taking the instance of the Public Service Commission. At present, the strength of the staff of the Public Service Commission is 49 from the Secretary downwards. When the division takes place, the Chairman calculates that the staff required for the Andhra Public Service Commission would be 22 while the staff required for the Public Service Commission of the residuary State would be 33, the total being 55, an increase of six over the present total. When the staff is divided, the residuary State should take its full complement of 33. This will leave only 16 members of the staff for the new State

and there will be a deficiency of six in the new State. This deficiency should be left for the new State to fill so that it may have the full benefit of the increase in staff due to the division. Further, it will also have a chance of deciding whether this deficiency should be made up or not. This may give it some scope for economy considering that it might be difficult for it to balance its budget. The principle, therefore, should be that the benefit of the increase in staff due to partition should go to the new State. This will also enable it to correct to a certain extent the proportion of Andhras in its Services immediately. The increase, it may be mentioned, is coming about mainly because of the creation of the new State and this is also a reason, apart from the other reasons, that the benefit should go to the new State.

Then I come to the question of selection of personnel for the new State and how that should be done. The difficulty, as I pointed out, arises from the fact that there is a deficiency of Andhra personnel in many Departments. The order of allotment should be as follows:

(1) Persons whose families continue to have their domicile in the Andhra area, i.e., in any of the districts constituting the new State. It is immaterial what language such persons speak as their mother tongue.

(2) Persons not falling under class (1) above who opt for service in the new State.

(3) Persons whose mother tongue is Telugu and whose families had their domicile in the Andhra area within the last 25 years.

(4) The balance may be made up from other persons who may be required to serve the new State. In this category, those persons whose mother tongue is Telugu but who do not come under (3) above or who know Telugu and have served in the Andhra area should be first considered for transfer to the new State in preference to others.

Those persons, who fall in classes (1) and (2) above, must go to the new State except in those cases where there are no posts in the new State to which they can be transferred, or the two State Governments agree that for special reasons a deviation from this principle is necessary. These persons will get the usual protection provided under the law and the Special Protection Rules which I am proposing will only apply to persons falling in classes (3) and (4).

For the purpose of ensuring smooth working of the Special Protection Rules which will be found as Annexure I to this Report, the following arrangements shall be adopted:

(1) During the period of 2½ years reckoning from the date of separation, no confirmation should be ordered in permanent posts in either State. A margin of six months is necessary for making the necessary

adjustment to provide for persons who have elected to revert.

(2) During the further period during which persons have been compelled to stay on in the State which they have elected to leave, they should be protected by the device of provisionally substantive arrangements.

(3) Except by agreement between the two State Governments or by the operation of the Special Protection Rules, there should be no disturbance in either State of the set-up agreed to at the time of the separation during the 2½ years specified above in respect of any Services.

### All India Services

These Services may be divided into two groups, namely,

(1) The former Secretary of State Services which are now coming to an end, including the Indian Civil Service, the Indian Police, the Indian Service Engineers and the Indian Forest Service; and

(2) The new All India Services, viz., the Indian Administrative Service and the Indian Police Service. The officers serving in the All India Services desire that their cadres for the two States should remain joint. So far as the former Secretary of State Services is concerned, this desire of the officers may be taken into account; but it would perhaps be difficult to work with a joint cadre even for the initial period of five years, as desired by these officers. If the Government of India decides to keep the cadres joint, a provision will have to be made that 36% of the officers should serve in the new State and the remaining in the residuary State. If, on the other hand, it is decided to separate the cadres of the former Secretary of State Services also, the division may be made on the basis of population, keeping in mind that the Services should contain a balanced cadre of senior and junior officers so that prospects of promotion may be even in both States as far as possible. It may perhaps be advantageous to apply the three-to-five-year Service Group principle in the case of these Services also.

Each State would, of course, have its own Advocate-General, Public Prosecutor and Government Pleader even though the High Court of Madras may be provided with extended jurisdiction over the new State. The law creating the new State must necessarily contain a provision for continuance of existing laws until the enactments are modified by a competent authority.

No special rules are required for Class IV staff. It will be divided according to the needs of each State and the personnel allocated accordingly.

### Budget

I now turn to the financial implications of the partition and will begin with the budget for the new

State. The Finance Department has supplied me statements indicating the receipts and expenditure in the Andhra districts and the other districts in Madras State during the year 1951-52. The figures are based on the actuals of the year 1951-52 and allocations have been made, as far as possible, with reference to the area to which each transaction relates and in other cases on the basis of population, i.e., 36% for the new State and 64% for the residuary State. The details will be found in Annexure III of this Report. I may add that the Finance Department has worked out the figures on the basis of three Taluks of Bellary District in the new State and the remaining Taluks in the residuary State. I have suggested that the whole of Bellary District should be included in the new State. That would, however, not make any appreciable difference to the picture which briefly may be summarized as follows:

### Revenue For The New State

Note: All figures are in rupees lakhs

Direct Receipts	1,408.70
Share of Allocable Items	361.19
Grand Total	<u>1,769.89</u>

The total revenue thus works out to Rs. 1,769.89 lakhs. As against this, the expenditure is as follows:

Direct Expenditure	1,698.82
Share of Allocable Expenditure	573.89
Total Expenditure	<u>2,272.71</u>

This leaves a deficit of Rs. 502.82 lakhs. If the whole of Bellary District is included in the new State, the deficit will be slightly larger.

The main question, therefore, which has to be considered is how to bridge this gap of over five crores of rupees.

So far as the residuary State is concerned, the problem is not so acute. The budget of the residuary State shows a slight surplus as will be clear from the following figures:

### Revenue

Note: All figures are in rupees lakhs

Direct Receipts	3,168.64
Share of Allocable Receipts	1,004.62
Total Receipts	<u>4,173.26</u>

The expenditure of the residuary State is given below:

(Figures in rupees lakhs)

Direct Expenditure including Payments of Local Nature in Madras City	3,037.21
Share of Allocable Expenditure	1,133.92
Total Expenditure	4,171.13

This leaves a small surplus of Rs. 2.13 lakhs. It may be pointed out that the main cause why the residuary State is surplus is that Madras City has been included in it. The city gives an income of Rs. 709.47 lakhs to the residuary State while the expenditure on the city for local payments is only Rs. 337.28 lakhs, leaving a surplus of about Rs. 3.75 crores. It is this item of revenue which enabled the residuary State to balance its part of the budget in 1951-52 and will enable it in future also to avoid a deficit.

To sum up, therefore, there appears a possibility of an increase of revenue by Rs. 2 crores and a decrease in expenditure by Rs. 50 lakhs (I include in this Rs. 33 lakhs for the Rationing Department and the remainder for the abolition of the Legislative Council and for correction of the concentration of the Armed Police in Andhra districts). This will reduce the deficit from Rs. 5 crores to Rs. 2.5 crores.

Thus, I find that the deficit which has been reduced to Rs. 2.5 crores will still remain. The only other method which I can think of for reducing this deficit immediately is by scrapping Prohibition in the new State. The only way which I can see for balancing the budget immediately is by getting this Excise income. I would, therefore, recommend for the serious consideration of the leaders of the new State the necessity of giving up Prohibition if their State is to avoid bankruptcy from the very beginning.

#### Tungabhadra Irrigation Project, Machkund Hydro-Electric Scheme And The Five Year Plan

I propose to examine the Tungabhadra Project and the Machkund Scheme as they will be affected by the creation of the new State.

The Kanarese-speaking people apprehend that if the management of the Project is to vest in the new State, water in their area may be stopped. However, as I have recommended that the whole of Bellary District should form, for the present, part of the new State, I do not think that the new State will discriminate against the Kanarese-speaking area of Bellary District.

#### Division Of Assets And Liabilities And Adjustments Consequent Thereon

The first principle, so far as the division of assets is concerned, is that all assets attached to land shall

pass to the State in which they are situate. Thus, all lands, works, forests and buildings shall remain the property of or, as the case may be, pass to the State in which they are situate. There can be no dispute about this basic principle.

It would, in my opinion, be an impossible task if every kind of asset attached to land was to be valued and then adjustment made accordingly. It seems, therefore, that all those assets attached to land, which are the usual concomitants of a State, should be ignored in making adjustments, if any. Thus, all roads, Administration buildings, hospitals, schools, colleges and so on, which exist all over the State, should be left out of account except Government buildings in Madras City which stand on a footing of their own. In effect, therefore, the only assets, which have to be taken into account in case adjustments have to be made, are assets arising out of capital expenditure on irrigation, navigation, electricity schemes, industrial schemes and State Transport Services. These assets, generally speaking, yield some income, even though in some cases the income may not be sufficient to cover the expenses of management and the interest charges.

Let me now turn to the division of debts. Here again I refer to the position as it was on March 31, 1952, and necessary adjustments will have to be made up to the date on which the separation actually takes place. The total debt on March 31, 1952, was Rs. 4,342.02 lakhs. Of this, Rs. 2,178.11 lakhs was recoverable from Local Bodies, etc. The balance was thus only Rs. 2,163.91 lakhs. As I have found that the capital outlay is roughly in proportion to the population figure, namely, 36:64, the debt should also be divided in the same ratio. The figures given in Annexure IV, which are based on a different ratio, will have to be revised so far as this item of Rs. 2,163.91 lakhs is concerned. The same principle of division, namely, 36:64, would apply to the position which may be found on the actual date of partition.

Then there are certain items of liabilities which have to be divided between the two States. These items are mentioned in Annexure IV as:

- (1) Special irredeemable loans.
- (2) State Provident Funds.
- (3) Deposit Accounts.
- (4) Portion of debt equal to the recoverable advances to Local Bodies, agriculturists, etc.

These liabilities have been shown in Annexure IV as divided according to the area to which they relate or where the officers are posted or where the advances have been made. This method is correct and it may be applied to the situation as it exists on the date of separation.

That deficit will have to be shared by the two States and may perhaps wipe out the credit of Rs. 230.4 lakhs

which the new State may be entitled to on account of Madras City being excluded from it.

I now turn to certain special provisions for special matters arising in connection with the division of assets and liabilities. These recommendations are based on the Report of the Partition Committee of 1950 with such modifications as I consider necessary. Provision will have to be made on these lines and to complete the division of finances between the two States. These recommendations are in addition to those which have already been made by me in the foregoing paragraphs.

(1) Any substantial quantities of unissued stores of any class shall be divided between the two States in proportion to the indents for stores of that class made in the three years immediately preceding April 1, 1953, for the areas comprised in the two States respectively.

(2) The new State's share of the printing machinery in the Government Press, Madras, shall be 36%. This share shall, as far as may be possible, be given to the new State in the shape of physically separable printing machinery which can be utilized by the new State and to the extent to which this is not found practical, an adjustment shall be made in cash or otherwise.

(3) Arrears of taxes shall belong to the State in which the taxed property is situate or the tax transaction took place.

(4) Each sinking fund shall be apportioned in the same proportion as loans in respect of which it has been created (this will now be theoretical for the most part).

(5) The assets and liabilities relating to commercial undertakings of the undivided State shall pass to the State in which they are situate.

(6) Civil and Local Fund Deposits shall pass to the State in which the deposits have been made and the liability to pay shall fall on that State.

(7) (i) The shares held by the undivided State for the Fertilizers, Chemicals Travancore, Ltd., Radio and Electrical, Ltd., Madras, and the Madras Industrial Investment Corporation shall be divided between the two States in the proportion of 36:64 and the necessary adjustment made when assets and liabilities are finally worked out as on the date of separation.

(ii) All interest in the Madras Bus Service shall pass to the residuary State and necessary adjustment shall be made as above.

(8) Revenue Reserve Fund, Village Reconstruction Fund, Harijan Uplift, Funds for the Rural Water Supply and Famine Relief Fund.—There are no assets in these Funds now. They may be notionally divided in the proportion of 36:64.

(9) Cash Balances, if any, Ways and Means Advances and Treasury Bills.—These assets and liabilities shall be divided in the proportion of 36:64.

(10) Provincial Road Fund.—The aggregate undis-

bursed amount payable to the Local Bodies situate in each State shall pass to that State.

(11) Provident Fund.—Each Government shall take over the Provident Fund Accounts of the Government servants allotted to it.

(12) Pensions.—(i) Subject to the adjustment mentioned in sub-paragraph 2, each State shall, in respect of pensions granted before the appointed day, pay the pensions from its Treasury and sub-Treasury;

(ii) These will be computed in respect of each financial year after the appointment day a total payment made in each State in respect of such pensions and the new State shall pay to or receive from the residuary State the amount by which the total payments in the residuary State for that year exceeds, or, as the case may be, falls short of, 64% of the total payment made in both States for that year; and

(iii) The liability in respect of pension granted on or after the appointed day shall be the liability of the State granting the pension. In respect of officers whose service after the appointed day was partly in one State and partly in the other, the amounts of their pensions shall be allocated between the two States in proportion to their total service qualifying for pension in the respective States whether such service was before, on or after the appointed day. For the purpose of this allocation, the period of qualifying service in the Secretariat or in the office of any Head of Department in Madras City before the appointed day shall be divided between the new State and the residuary State in the proportion of 36:64.

(13) If and in so far as any item in suspense is ultimately found to affect any matter referred to in the financial part of this Report, it shall be dealt with in accordance with the relevant provision of the Report.

(14) The benefit or burden of any assets or liabilities not dealt with in the financial provisions of this Report shall be divided between the new State and the residuary State in the proportion of 36:64 provided that any such asset or liability may be apportioned in any other manner if the Governments of the two States so agree.

(15) The new State shall be responsible for the execution of further works in connection with the Tungabhadra Project and shall also be responsible for meeting the expenditure.

(16) Unless otherwise stated or required by the context the assets and liabilities shall be determined as at the close of business on the day immediately preceding the appointed day.

Lastly, I address myself to the question of the date on which the new State should be created. There was a general desire on the part of Andhras that the new State should be created on the Telugu New Year Day,

viz., March 16, 1953. That is, however, impossible as there will be innumerable difficulties of accounting if a date in the middle of the month is chosen, particularly when that date is so near the end of the financial year. The Accountant-General points out that the creation of a new State with effect from a date other than April 1 would cause a good deal of confusion and inconvenience. He urges that it would be more convenient from the point of view of accounting if the new State were to be formed from the beginning of the financial year as that will eliminate many complications and reduce labour in the Audit office as well as in the Administrative offices. It would, therefore, be advisable to form the new State from April 1, 1953, if possible. But I realize that it may be impossible within the short period of two months to carry through

all the measures necessary for bringing the new State into existence. If, therefore, the new State cannot be brought into existence by April 1, 1953, the Accountant-General would prefer that it should come into existence on April 1, 1954. I may, however, point out that this delay of one year would cause profound disappointment and, therefore, if the new State cannot be brought into existence on April 1, 1953, it should be created as early thereafter as possible. It would, however, be preferable if it comes into existence on any day at the end of a quarter as that would reduce accounting troubles to some extent. Thus, July 1 or October 1 or January 1, are the other likely dates if the new State cannot come into existence from April 1, 1953. I would, therefore, recommend any of these three dates—the earlier the better.

1953

## BACKWARD CLASSES COMMISSION, 1953—REPORT

New Delhi, Ministry of Home Affairs, 1955. Various pages.

Chairman : Shri Kakasaheb Kalelkar.

Members : Shri Narayan Sadoba Kajrolkar; Shri Bheeksha Bhai; Shri Shivdayal Singh Chaurasia; Shri Rajeshwar Patel; Shri Abdul Qaiyum Ansari; Shri T. Mariappa; Lala Jagannath (resigned, replaced by Shri P. G. Shah); Shri Atma Singh Namdhari (died, Dr. Anup Singh was appointed in his place); Shri N. R. M. Swamy.

Secretary : Shri Arunangshu De.

### APPOINTMENT

The Backward Classes Commission was appointed by the President in pursuance of Article 340 vide the Ministry of Home Affairs Notification No. 70/53-Public dated January 29, 1953.

### TERMS OF REFERENCE

The Backward Classes Commission shall:

(a) Determine the criteria to be adopted in considering whether any sections of the people in the territory of

India (in addition to the Scheduled Castes and Scheduled Tribes specified by Notifications issued under Articles 341 and 342 of the Constitution) should be treated as socially and educationally backward classes; and, in accordance with such criteria, prepare a list of such classes setting out also their approximate numbers and their territorial distribution;

(b) Investigate the conditions of all such socially and educationally backward classes and the difficulties under which they labour, and make recommendations:

(i) as to the steps that should be taken by the Union or any State to remove such difficulties or to improve their condition; and

(ii) as to the grants that should be made for the purpose by the Union or any State and the conditions subject to which such grants should be made;

(c) Investigate such other matters as the President may hereafter refer to them; and

(d) Present to the President a Report setting out the facts as found by them and making such recommendations as they think proper.

The Commission may:

(a) Obtain such information as they may consider necessary or relevant for their purpose in such form and such manner as they may think appropriate from the Central Government, the State Governments and such other authorities, organizations or individuals as may, in the opinion of the Commission, be of assistance to them;

(b) Hold their sittings or the sittings of such sub-committees as they may appoint from amongst their own members at such times and such places as may be determined by, or under the authority of, the Chairman; and

(c) Visit or depute a sub-committee of theirs to visit such parts of the territory of India as they consider necessary or convenient.

## CONTENTS

Forwarding Letter of the Chairman; General; Census and Castes; Caste and Society; Problems of Special Groups—Muslims; Christians; Anglo-Indians; Eurasians in Travancore-Cochin; Sikhs; Gurkhas; Bhangis (Sweepers and Scavengers); Women; Unfortunate Women; Delinquent Children; Denotified Communities; Backwardness; Conditions of Backwardness and Measures for their Removal; Ministry for the Advancement of Backward Classes; Grants; Revision of Lists of Scheduled Castes and Scheduled Tribes; Summary of Recommendations; Acknowledgment; Appendices.

## RECOMMENDATIONS

### Census And Caste

Before the disease of caste is destroyed all facts about it have to be noted and classified in a scientific manner as in a clinical record. To this end we suggest that the 1961 census be remodelled and reorganized so as to secure the required information on the following lines:

The census operation should be conducted as a well-equipped continuous organization competent to supply information on various topics of sociological importance.

The Census Offices must have permanent ethnologists and sociologists in addition to the economists attached to them.

### Special Groups

It would not be correct or just to list all Muslims as socially and educationally backward.

Christianity has consistently refused to recognize caste. And yet, in practice, it was found that segregation of converts from the Scheduled Castes was not successfully overcome in certain parts of South India. We have included such communities, especially in the South, in the list of Other Backward Classes. We

added if Scheduled Caste converts to Christianity in other parts of the country also suffer from any recognizable degree of segregation and social disability their case should be considered for being included in the list of Other Backward Classes.

A small community in the extreme South which is really Emasian in character is now being called Anglo-Indian in the list published by the Education Ministry, Government of India. The nomenclature is a mistake. It may be renamed Eurasian for the purpose of relief and included in the list of Other Backward Classes of Travancore-Cochin.

We recommend that the communities or groups who are treated as untouchables among the Sikhs should be included in the list of Scheduled Castes.

Such of the communities among the Gurkhas found in Uttar Pradesh, Bihar and West Bengal, who are educationally and socially backward, are included in the list of Other Backward Classes.

The Bhangis should not be condemned to live in segregated localities. They should be distributed and given quarters among other groups.

Women in India have lived under great social hardships and as a class must be regarded as backward.

The following measures are recommended for the advancement of women in general:

(1) Free education at all stages to all girls whose parents' income is less than Rs. 3,000 per annum.

(2) Scholarships for girls belonging to the Backward Classes.

(3) Residential hostels for girl students, with priority for girls of the Backward Classes.

(4) Samata Ashrams for girls of all communities to be run by trained staffs of women and men.

(5) Creation of special facilities for girls to study Medicine, Home Sciences, and other subjects specially suited for women.

(6) More facilities for training women in the Fine Arts, and in Social Service.

The administration of the "Suppression of Immoral Traffic Act" is found to be more punitive than reformative. There is great scope for starting rescue homes and the Government should be able to help such efforts with finance and legislation. Rescue homes should not be mere asylums for such women. Such homes must be controlled by committees consisting of social workers under Government supervision. Women social workers from well-to-do sections of society should accept an increasingly larger role in tackling this problem.

The provision is for the rehabilitation of delinquent children are totally inadequate. The State must help persons who take up the work of amelioration of these delinquent children.



The ex-Criminal Tribes should hereafter be called denotified communities—Vimochit Jatian.

These communities have been classed as Scheduled Castes, Scheduled Tribes or Other Backward Classes according to the criteria applicable to them for the purpose of relief.

The nomadic groups should be given facilities for leading a settled life.

The children of these groups should be trained in Basic Education. They must also be trained in cottage industries, handicrafts and agriculture.

Group criminality should be treated differently from the acquired criminality of the individuals.

Backward areas in Himachal Pradesh, Uttar Pradesh, Udaipur and in Rajasthan, Bastar in Madhya Pradesh, Amarakantak in Vindhya Pradesh should be developed by allocating more Community Projects, National Extension Service Blocs, Social Welfare Extension Projects and other developmental schemes.

#### Criteria Of Backwardness

After consideration of the social conditions in Indian society and the causes for backwardness of a large section of the people, the following criteria are adopted for general guidance:

- (1) Low social position, in the traditional caste hierarchy of Hindu Society.
- (2) Lack of general educational advancement among the major section of a caste or community.
- (3) Inadequate or no representation in Government service.
- (4) Inadequate representation in the field of trade, commerce and industry.

#### Classification Of Communities

The economic backwardness had also to be kept in view in order to find out the ability of the community to take advantage of the available opportunities as also the recent trends in its advancement.

#### Conditions Of Backwardness And Measures For Their Removal

Political parties in the country should take note of the unhealthy symptoms in the body politic and draw people together under a well-defined economic and social programme.

Any plan for economic reconstruction of the country must necessarily include measures designed for the speedy uplift of the Backward Classes. Conditions must be recreated in which the development of these classes takes a natural growth. Removal of economic and social causes that are operating to their detriment should receive first priority.

#### Land Policy

For the uplift of the Backward Classes, it is vital to have a proper land policy. It is necessary that all kinds of intermediary features should be abolished to help in the formulation and implementation of a national land policy.

#### Large Landowners And Ceilings On Holdings

Fixing a ceiling on land holdings is necessary as a social principle to remove the existing inequality of the cultivator's holdings in the countryside. But it should be followed almost immediately by placing limits on incomes from other fields of national economy. Only then would it be possible to create a psychological satisfaction among those who are required to surrender their property for the common good. The ceilings should be different for different types of land and conditions of rainfall, types of crops grown, pressure of population, etc., should be taken into consideration in determining the ceilings.

#### Distribution Of Land

The available Government land should firstly be distributed among the landless and then among the owners of uneconomic holdings. To this end land revenue rules should be suitably amended. Any infringement of this rule should be severely dealt with by the State authorities.

#### Small And Middle Owners

These groups include almost all backward communities. Their holdings are uneconomic and seriously fragmented. The general aim should be to bring about consolidation of holdings.

Fragmentation beyond a certain limit should be prohibited by law.

#### Regulation Of Tenancy Rights

It is necessary to protect the tenants under large holders from arbitrary eviction and from the levy of unreasonable rent.

#### Record Of Rights

Peasant proprietorship, however small the holding, will for some years be the pattern in most rural areas. The rights of all interests in land should be correctly recorded and maintained.

#### Agricultural Class Structure

The economic conditions of communities engaged in agriculture are far from satisfactory and a large majority of them have necessarily to live below subsistence level. Their position has become such that they are inevitably the helpless victims of exploitation. They need State help in abundant measure, not only

to improve agriculture which is their mainstay but to bring about general improvement in their living conditions. It is equally necessary to remove all forms of exploitation from rural life, and establish co-operatives on a planned basis—both functional and regional—manned by proper type of persons who would work devotedly for the betterment of the rural people.

#### Rural Indebtedness

Agricultural communities habitually run into debts and more so when adverse seasonal conditions prevail. It is necessary that provision should be made either through land marketing societies or through the proposed State Bank for long-term credits to redeem them from the clutches of unconscionable money-lenders. Relief from usurious rates of interests is also needed. Scaling down of the debts of impecunious cultivators is equally desirable.

#### Marketing Facilities

It is necessary to establish co-operative marketing societies, regulated markets at suitable centres with warehouse and banking facilities.

#### Price Support

Minimum fair prices should be guaranteed to the cultivators both from the point of view of keeping up agricultural production and of the prosperity of the agricultural communities.

#### Irrigation

Greater attention should be paid to the execution of small and medium irrigation works and to provide irrigation from wells and rivers wherever it is not possible to have tanks and canals.

#### Land Tax Policy

The system of land taxation in its relation to the capacity of the cultivator should be thoroughly examined and an equitable system of taxation evolved.

#### Rural Savings

There is need for organizing rural savings schemes at village level.

#### Communities Engaged In The Cultivation Of Vegetables And Flowers

Enough land should be made available for growing vegetables and fruits.

The exorbitant rents in all cases of tenancies should be scaled down as in the case of other tenancies.

Instruction should be given to the youngmen of these communities on improved methods of fruit and vegetable cultivation.

Scholarships should be established for the purpose

of training qualified students among them in general horticulture.

#### Communities Engaged In Growing Betel Vine

The following measures are recommended for their amelioration:

(1) Grant of sufficient and suitable land for raising betel vine to members of this community and reduction of oppressive rents.

(2) Establishment of co-operatives to grant medium-term loans for the purchase of agricultural implements and manure and for marketing the betel leaves.

(3) Exploration of foreign markets by States for betel leaves.

(4) Research work for the eradication of pests and diseases and for improving the quality of the vines, and in the nutritional and medicinal value of Pan.

#### Reorganization Of Village Economy

The basic causes hindering the development of the co-operative spirit must be removed before agriculture could be reorganized on the co-operative principle.

#### Bhoodan Movement

We recommend both to the Government and to the nation that they should take up the work of Bhoodan Movement and spread it to every nook and corner of the country.

#### Development Of Livestock

The cattle wealth of the country should be improved.

Cattle-breeding stations to improve the breed of cattle as also to improve the milk-yielding qualities of cows should be established.

Steps should be taken to conserve the existing pasture land in the interest of village cattle.

More veterinary institutions should be established.

#### Dairying

Efforts should be made to organize small producers into co-operative Milk Unions and to give them monetary help and other assistance needed for developing dairying.

#### Cattle Insurance

Cattle in India are subject to periodical epidemics, and loss of cattle during such epidemics renders agriculturists helpless. It is necessary to safeguard their interest by sponsoring schemes of cattle insurance.

#### Sheep And Wool

Besides establishing regional centres for improving the quality of wool by selective breeding and cross-breeding, it is necessary to make available sufficient

breeding areas to the sheep-breeders in several States. Steps should be taken to protect the flocks of sheep from disease and epidemics.

#### **Poultry And Bee-Keeping**

Improved breeds like white leghorn, Rhode-Island, etc., should be introduced in the rural areas. The rural population should also be instructed in the art of bee-keeping, and State help extended to popularize it.

#### **Piggery**

State Governments should give more facilities to communities engaged in this occupation and they must be induced to lead a more settled life.

#### **Fisheries**

Fisheries have to be developed to supply adequate food to the nation. Fishermen should be organized and helped to form multi-purpose co-operative societies.

The Khalasi community could be encouraged to join the Indian Navy.

#### **Agricultural Labour**

Agricultural labour forms the most vulnerable section of the population, and the question of rehabilitation of communities in this group should receive the earnest consideration of the Governments—Central and State. The redistribution of land among the landless would further improve the economic conditions of these classes.

#### **Minimum Wages**

In the case of agricultural labour, we feel that, barring a few exceptional cases, fixation of the minimum wage is desirable. All the facilities granted to industrial labour should also be extended to the agricultural labour.

#### **Development Of Industries**

The conflict between heavy industries on the one hand and cottage and rural industries on the other be removed. Steps should be taken to disperse industries all over the country according to a definite plan.

#### **Rural And Cottage Industries**

The policy of giving subsidies to sustain these industries is at best only a palliative. The only feasible course would be to remove all factors hindering natural development of these industries and recreate favourable conditions in which these industries could flourish spontaneously.

#### **Khadi Industry**

Improved Charkhas and improved looms should be introduced to cut down cost and to step up production.

#### **Handloom Industry**

Clear demarcation of spheres of production exclusively for the handloom should be made with immediate effect. Since the weavers are accustomed to produce varieties of fabrics like saris, dhotis and lungis, all these varieties should be exclusively reserved for the handloom industry.

Regular and adequate supply of yarn of required counts and colours at reasonable prices should be ensured to the handloom weavers.

After full protection and patronage to Khadi, only handloom products should be purchased by Governments—Central and State—for their requirements.

#### **Special Features Of Cotton And Silk Weaving In Assam And Manipur**

The entry of mill-cloth should be prohibited and the State Governments should give special help to hand-spinning and weaving and also set up a yarn mill with required spindleage. Cotton cultivation in some parts of Assam should also be encouraged.

#### **Silk Handloom Industry**

The All-India Handloom Board should draw programmes for improving the conditions of weavers and in marketing their cloth.

#### **Sericulture**

There is great scope both for expansion and for improvement in the method of production of silk. This industry needs stabilization and it is only then it can develop sufficiently rapidly.

#### **Wool Spinning And Weaving Industry**

Proper organizations should be set up preferably on co-operative lines in suitable places for the purchase and supply of wool to the spinners and weavers. Marketing facilities for the sale of woollen blankets should be provided so that weavers may get proper price for their products.

#### **Village Oil Industry**

Immediate steps should be taken to stop the use of machinery for crushing edible oil. It is also necessary to stop further licensing of new oil mills and gradually stop the crushing of edible oils in the existing mills.

#### **Village Potter**

The potters should be encouraged to improve their methods of production by giving them training and better implements.

#### **Bamboo And Cane Workers**

Steps should be taken to encourage these communities by arranging supply of raw materials at reasonable

prices and proper marketing facilities. Proper housing and educational facilities should be provided for improving the conditions of the people.

#### **Paddy Husking**

It is desirable to eliminate rice mills altogether from the rural areas.

#### **Minor Industries**

Special measures should be taken for their uplift and rehabilitation.

#### **Village Handicrafts**

The Governments should purchase these articles of art to adorn Parliament, Legislatures and Embassies. The Government of India should assist in building up foreign markets for such articles.

#### **Beedi Industry**

Steps are necessary not only to prevent exploitation but also to organize beedi workers on a co-operative basis.

#### **Mill And Factory Competition**

Protection of cottage and rural industries from unrestricted competition of the mills and factories and decentralization of industries will greatly contribute towards rehabilitation of Backward Classes.

#### **Communities Whose Traditional Occupation Is Personal Service**

They are the washermen, the barber, the Kahar or the water-carrier and other classes of domestic servants. They need special help for ameliorating their conditions.

#### **Measures To Prevent Exploitation Of The Backward Classes**

Proper institutions must be set up for the distribution of wealth produced. A chain of suitable co-operative institutions or Government stores is badly needed for this purpose. Steps should be taken to train these communities in running institutions set up for their benefit.

Unless all kinds of communications are developed it will not be possible to remove either the backwardness of areas cut off from urban centres or of people inhabiting these areas.

It is absolutely essential that the rural public should be educated in the necessity of maintaining sanitary conditions.

Rural water supply should be improved a great deal. A planned programme of rural housing should be drawn up to provide housing for the poorer sections in proper village layouts.

The measures that the Governments—Central and State—should undertake for the eradication of social evils:

A Clear enunciation and effective implementation of this policy of social solidarity and national progress.

Necessary legislation on marriage and inheritance laws.

Prohibition by law of social disabilities.

Liberal use of the Press, Films, Platform and Radio for the removal of social evils.

Full assistance to promote education as speedily as possible among the Backward Classes.

Non-communal hostels should be established and the cost of board and lodging for the poorer sections of the Backward Classes should be borne by the Government.

Special type of Ashram Schools (Samata Ashrams) where teachers with their families live with the students should be established.

#### **University Education**

The present-day Universities should confine themselves to technical education and research, certain percentage of seats being reserved for qualified students of the Backward Classes and liberal scholarships being granted to poorer amongst them.

Adequate provision should be made both by the State and Central Governments for training students of all Backward Classes in post-graduate courses and in research centres both in India and abroad.

Reading-rooms and libraries in rural areas should be established and a judicious selection of books made for stocking rural libraries.

In all science, engineering, medicine, agriculture, veterinary and other technical and technological institutions, a reservation of 70% of seats should be made for qualified students of Backward Classes till such time as accommodation is provided for all the students eligible for admission.

#### **Ministry For The Advancement Of Backward Classes**

A new Ministry should be created both at the Centre and in the States similar to the Ministry of Rehabilitation to handle in an effective manner the problems for the advancement of Backward Classes and also to prevent anti-social elements from fostering disruptive tendencies among the Backward Classes by exploiting discontentment among them.

Members of Scheduled Castes and Scheduled Tribes when they go from one State to another should receive the amount of their help that is given to other Backward Classes in the State where they have gone to reside.

# PHARMACEUTICAL ENQUIRY COMMITTEE, 1953—REPORT

Delhi, Manager of Publications, 1954. 402p. viip.

**Chairman :** Major-General S. L. Bhatia.

**Members :** Dr. K. Vasudeva Rao; Dr. B. B. Yodh; Dr. J. C. Ghosh; Dr. A. K. Sen (died, replaced by Dr. T. N. Banerji); Dr. R. C. Shah; Dr. T. R. Seshadri; Dr. H. R. Nanji; Shri K. R. Chandran; Shri P. M. Nabar; Dr. A. Nagaraja Rao.

**Secretary :** Dr. B. Shah.

## APPOINTMENT

The Pharmaceutical Enquiry Committee was constituted under the Ministry of Commerce & Industry vide their Resolution No. CI-1(12)/52 dated February 14, 1953.

## TERMS OF REFERENCE

(i) To study the working of the existing pharmaceutical manufacturing concerns in India with particular reference to:

(a) The demand for the drugs produced and their essentiality;

(b) The quality of the drugs;

(c) The cost of production;

(d) The efficiency of the process employed; and

(e) Whether the product is made from imported intermediates and penultimate products or from basic raw materials and chemicals;

(ii) To study the operations of foreign and/or Indian concerns, who import drugs and pack them in the country. The extent of the tie-up between the wholly or partly owned Indian concerns with foreign companies;

(iii) To recommend steps for encouraging the manufacture of important drugs, which are imported into the country;

(iv) To enquire into the scheme of distribution of pharmaceutical products, whether imported or manufactured or packed in the country, the profit margins to Trade or Industry and the part played in this by purely Indian as well as other concerns;

(v) All ancillary matters connected with the above.

## CONTENTS

Introduction; Pharmaceutical Industry, Its Scope and Development; Basic Raw Materials and Packing Materials of the Industry; Demand and Production; Standardization, Control of Quality and Administration; Research Work; Distribution and Advertisement; Medical Profession and the Pharmaceutical Industry;

Technical Training for the Profession of Pharmacy; Summary of Recommendations; Conclusions and Acknowledgments; Appendices; Bibliography; List of Tables.

## RECOMMENDATIONS

**Pharmaceutical Industry—Its Scope And Development Scope Of The Industry**

Each manufacturing concern should endeavour to produce as many fine chemicals and drugs starting from basic chemicals and/or intermediates as close to the basic chemicals as practicable for the time being, in quantities sufficient to meet not only its own requirements but also of other firms which process them. By such co-operation between different units and the pooling of their resources, the Pharmaceutical Industry will undergo rapid development.

## Government Medical Stores

The manufacturing activities of the Government Medical Stores should be reorganized and their method of management changed to conform to commercial practices.

## Opium Factory

Experimental plantations should be set up (i) for investigating methods for improving the yield of opium; (ii) to render technical advice; (iii) to supply better grades of seeds; and (iv) to demonstrate improved methods of cultivation to the opium cultivators.

All unit operations such as mixing and bricking which are, at present, carried out manually should be mechanized.

Commercial methods of marketing the different products of the factory should be adopted.

## Penicillin Factory—(Hindustan Antibiotics Ltd.)

A well-equipped research laboratory and a pilot plant should be set up for carrying out investigations side by side with manufacture to keep pace with the rapid developments in the field of antibiotics.

As the manufacture of penicillin needs certain chemicals, whose production will have to be undertaken at Pimpri, it will be economical to extend the activities of the penicillin factory to include the production of synthetic antimalarials, sulpha drugs, other chemotherapeutic products and vitamins.

### D.D.T. Factory—(Hindustan Insecticides Ltd.)

A research unit and a pilot plant should be provided in this factory to carry out investigations on the production of new type of insecticides and conduct experiments on their production.

### Madras Cinchona Plantations And Quinine Factories

The programme of replacing the existing plants with those whose bark yields a higher quinine content should be accelerated.

Sufficient attention has not been paid by the Madras Government for providing elementary amenities, like electricity for lighting the quarters, to the staff of the Cinchona Department stationed in the plantations. Every amenity should be afforded to the staff especially as they are living in isolation without any social contacts.

### Bengal Cinchona Plantations And Quinine Factory

Some of the operations now carried out manually like the transport of the mixture of bark powder and lime for lixiviating with caustic soda solution in tanks should be mechanized.

The programme of replacing the existing cinchona plants with those whose bark yields a higher percentage of quinine should be accelerated.

### Assam Cinchona Plantations

As the special Cinchona Committee have advised against any expansion of the existing plantations in the country, in view of the uncertain position of quinine, the Assam Government should not spend their finances and energies in expanding these plantations specially when the State is endowed with all the natural advantages for cultivating other medicinal plants for which a great shortage exists in the country.

### Assistance To Quinine Factories

Commercial methods of marketing quinine should be adopted by the Governments concerned. Dumping of foreign quinine into the country should be prevented. Customs duty should be imposed on synthetic anti-malarials and foreign quinine.

### Shark Liver Oil Factories

The two State Governments (Bombay and Madras) are competing with each other in the sale of their products and trying to obtain the raw materials at as cheap a price as possible from the local fishermen to whom has been entrusted the work of catching sharks. By unregulated fishing, a very valuable source of Vitamin "A" may be lost to the country. The Central Government should, therefore, look into this matter urgently and see that necessary steps are taken for conserving this important source and bring about a

better co-ordination in its exploitation by the two State Governments.

The manufacturing and marketing activities of the two State Government factories at Bombay and Kozhikode should be co-ordinated. A uniformity in quality and packing and a common brand name instead of calling them differently as "Madras Government Shark Liver Oil" and "Bombay Government Shark Liver Oil" should be adopted by the two factories.

They should endeavour to adopt (a) a uniform selling price for the different grades, (b) scale of discount to traders, and (c) a common publicity for the products made. If necessary, the territories, where their products should be marketed, can be defined by the two Governments.

### Other Government Institutions

The production of hyperimmune rabies serum in institutes like the Haffkine Institute, Bombay, where facilities for its production exist should be taken up in adequate quantities to meet the needs of the country. All schemes for its production should be actively assisted both by the Central and State Governments. For eradicating the danger of rabies in the country, the production of Avianized Rabies Vaccine at the Haffkine Institute should be increased and the vaccine made more easily available.

Steps should be taken to increase the output of diphtheria and tetanus vaccines. An attempt should be made to manufacture the triple vaccine required for the simultaneous prophylaxis of vulnerable groups of population against these diseases.

It is necessary to keep facilities for the production of influenza vaccine ready at hand to meet emergencies.

The Government should afford the necessary facilities to the Haffkine Institute, Bombay, to expand the snake farm and increase its output, and other institutions should be encouraged to start snake farms and produce the antivenin serum.

At present the vaccines and sera made by the Government institutions are only available at Government hospitals. The practice should be revised and the products made available to the general public through the retail trade by adopting commercial methods of marketing.

### Large Scale Private Enterprise Under Foreign Control And/Or Foreign Collaboration

The firms should progressively extend their manufacturing activities to include the production of bulk pharmaceuticals, starting from basic chemicals and/or intermediates as near to the basic chemicals as possible.

While planning the production of bulk pharmaceuticals the production capacity should not be confined

merely to the requirements of the particular factory, but should be large enough to be able to supply, as far as possible, the requirements in the country.

No new foreign concerns should be allowed to set up factories unless they undertake to manufacture products which have not been manufactured in adequate quantities by other factories starting from basic chemicals and/or intermediates as near to the basic chemicals as possible, within a reasonable time.

Arrangements made by certain manufacturers, whether Indian or foreign, forbidding the selling of bulk chemicals to other processors based on agreements entered into with foreign firms should be discouraged.

The Patent Laws of the country should be amended to secure effective utilization of all developments in the field of science and medicine, wherever necessary, in the interest of the country.

Firms with 100% foreign capital—the so-called "India Ltd."—and branches of foreign firms should not be permitted to be established except under special circumstances for the manufacture of basic chemicals and drugs, which the Indian-managed factories are not able to take up.

Payment of rates of royalty for "pure know-how" as agreed to by some firms is excessive and this should be reduced to a reasonable figure when current agreements come up for revision.

In all agreements, suitable provision should be made for the training of Indian personnel.

#### Large-Scale Private Enterprise Under Indian Management

New firms should not be allowed to start the manufacture of galenicals for which there is already a surplus capacity.

Once a development programme of a particular firm has been approved, a constant watch on the progress made by it should be kept. The progress being satisfactory, all facilities should be given for its furtherance.

A large number of firms should not be allowed to carry out almost identical type of work without due regard to the requirements of the country or the existing capacity as this will defeat the very object of the Industries (Development and Regulation) Act and retard the development of the industry.

#### Small-Scale Private Enterprise

The Government should take early steps to cancel licences and close down all pharmaceutical establishments which do not possess the minimum requirements of premises, equipment and staff that the Committee have specified. New factories should not be licensed unless they fulfil these requirements.

To prevent hardships that may result from it to

small-scale manufacturers they should be induced to get together and, by pooling their resources, put up properly equipped co-operative units.

A group of firms may be encouraged to join together and put up well-equipped testing laboratories for keeping control on their raw materials and finished products.

#### Basic Raw Materials And Packing Materials Of The Industry

##### Medicinal Plants

The Government should take immediate steps to organize the cultivation of medicinal plants in a scientific manner and sponsor agencies for their proper collection, storage and marketing.

For carrying out experimental work on the cultivation of medicinal plants, adequate grants should be made available by both the Central and State Governments.

##### Ethyl Alcohol

The restrictions imposed by certain State Governments, in the interests of Prohibition, on the supply of alcohol to the industry such as (i) making rectified spirit a monopoly of the Government and insisting that all manufacturers should buy their requirements from Government distilleries only, at high prices; (ii) restricting production of alcohol of pharmaceutical firms, which have their own distilleries, to their actual requirements; (iii) controlling the supply of molasses to such distilleries; and (iv) charging heavy vend fee on the alcohol of their own manufacture used in their factory hampers the development of the industry and should be removed.

To prevent the misuse of tinctures, especially in the States where Prohibition exists, the following steps are recommended:

(i) The production of tinctures which are in the older editions of pharmacopoeia and for which a genuine demand exists should be allowed to be produced on the basis of production and consumption before the introduction of Prohibition; and

(ii) On those tinctures which appear in the latest edition of the pharmacopoeia and are liable to misuse, the duty should be raised to the same level as on pure ethyl alcohol.

##### Methyl Alcohol

The policy adopted, at present, should be revised and the existing restrictions removed as they come in the way of the development of the synthetic drug industry and research and testing work in scientific laboratories, where methyl alcohol forms an important item. The existing requirements are small and should be allowed to come in without any restriction.

## Coal-tar Products

To improve the production of coal-tar products, the recovery of benzol in the coke ovens operated in the country should be made compulsory unless the units are too small for its economical recovery.

The existing practice of burning coal-tar by the steel companies in their open-hearth furnaces leads to a waste of an important national resource and should be stopped till such time as enough coal-tar is available for purposes of distillation.

The Government themselves should take up the manufacture of essential coal-tar products if sufficient response from the private sector is not forthcoming.

## Animal Glands And Organs

Modern slaughter-houses with facilities for proper collection and storage of glands and organs should be established, to start with, in cities such as Bombay, Madras, Calcutta and Delhi.

The collection and preservation of these glands and organs should be supervised by qualified personnel and not left to the butchers as at present.

## Glass Bottles

The pharmaceutical concerns and pharmacies, while indenting their requirements of glass containers from glass manufacturers, should insist on standard specifications and decline to purchase cheap goods that do not conform to them.

## Ampoules, Vials, Etc.

To enable the pharmaceutical manufacturers to adopt more automatic filling and sealing, the production of machine-made tubing and ampoules should be expanded. The production of neutral glass tubing and its use in ampoule-making should be encouraged.

## Standardization

Standards for the quality of the glass and/or alternative containers required for different purposes should be drawn up with the help of the Central Glass and Ceramic Institute and the Indian Standards Institution.

The Weights and Measures Act should be enforced strictly in all States and the practice of dispensing in bottles of lower capacity than that stated should be penalized.

## Cork

Several species of *Quercus* are found at different levels of the Himalayas. Investigations should be carried out to see if these could serve as substitutes for cork. Simultaneously, cork-oak cultivation should be undertaken in suitable climates after investigations in the selected areas.

## Demand And Production

### Essentiality Of Drugs

A tentative list of essential drugs, whose production should be encouraged in the country, has been given in Appendix 10.

### Estimates And Demand And Production

In future, a detailed tariff classification indicating the imports and exports of all essential drugs should be included in the Imports and Customs Schedules published by the Government of India. Basic chemicals and intermediates required by the pharmaceutical industry should also be classified in detail in the above Schedules.

### Steps Necessary To Increase Production

The import duty on industrial machinery and scientific equipment, not made in the country and yet required by the pharmaceutical industry for manufacturing and testing purposes, should be brought to the same level as that levied on capital equipment for other industries.

Assistance should be given in the form of reduction, remission or rebate of import duties on the raw materials and intermediates required by the Industry. The rebate or reduction should be so adjusted as to amount to a total incidence which would be less than the duty levied on the finished products.

### Cost Of Production And Efficiency Of Process Employed

A detailed examination of books of different firms for estimating both the cost of individual drugs and the cost of processing different formulations should be undertaken.

To enable manufacturers to assess the cost of production of pharmaceuticals and drugs from imported basic chemicals and the economics of their production, the rates of Customs duty levied on the various raw materials and finished products should be indicated in the Customs Tariffs.

### Standardization, Control Of Quality And Administration

#### Administration Of The Drugs Act

Administration of the Drugs Act requires specialized knowledge. Training should, therefore, be provided under one of the Foreign Fellowship Schemes. At least two persons should be sent out for such training every year till an adequate number of persons is available.

#### Need For Centralizing The Administration

In order to overcome the defects in the operation of the drug control existing at present, and to bring



about a uniformity in the standard of products manufactured, administration of the Drugs Control should be centralized by bringing control on manufacture, sale and distribution, which is at present exercised by the State Drugs Controllers under the Drugs Controller (India).

#### Central Government Laboratories

For primary testing, additional testing laboratories should be set up at the ports of entry of drugs. To ensure that importers have adequate facilities for the storage of the drugs imported by them, additional staff to inspect their premises and take samples more frequently from their godowns should be appointed.

#### State Government Laboratories

In every State or a group of small States a well-equipped independent laboratory should be set up which should not form an appendage to any of the existing Public Health, Food or Chemical Laboratories.

#### Manufacturers' Laboratories

In addition to a scrutiny of the testing facilities maintained by manufacturing concerns, a frequent check of the records and test reports maintained by them in these laboratories should be made to see that their products are being regularly and properly tested.

The medical profession and pharmaceutical industry should join together in setting up testing laboratories for the purpose of certifying the products made by the industry and thus create confidence among the public in the products manufactured by them.

#### Public Analytical Laboratories

The Drugs Control authorities should keep a constant check on their activities and also verify the adequacy of equipment, staff and their technical competency.

#### Industries (Development And Regulation) Act

The definition of a factory in the Industries Act as applied to the pharmaceutical industry should be amended to that given under the Factories Act, 1948, so as to bring smaller units under the purview of the Act and thus facilitate their development.

#### Co-ordination With Drugs Act

There should be a perfect co-ordination between licensing under the Drugs Act and licensing under the Industries Act. Licences should be issued under the respective Acts only after consultation between the two concerned Departments of the Government.

#### New Grouping

Firms should be licensed to manufacture drugs under the Industries (Development and Regulation) Act,

according to any of the two groupings given in the classification in Lists A & B of Table No. 35.

#### Development Council For Pharmaceuticals And Drugs

To ensure future development of the pharmaceutical industry on the lines of our recommendations, immediate steps should be taken by the Government to constitute a Development Council for Pharmaceuticals and Drugs.

#### Amendments To The Drugs Act And The Rules Thereunder

At present, there is provision for the marketing of proprietaries with secret formulae after registration in the Central Drugs Laboratory. This provision should be withdrawn and no patent or proprietary preparation with secret formulae should be allowed to be marketed. Any product to be marketed must have its composition and method of usage published on its label.

Offences under the Drugs Act for trading in spurious and sub-standard drugs should be made cognizable. Deterrent punishment with an adequate fine and a compulsory period of rigorous imprisonment should be given.

Giving of adequate publicity to an offender's name and address should be made compulsory.

#### Revision Of Licence Fees

The Rules under the Drugs Act prescribing licence fees for the importing, stocking, exhibiting, selling and manufacturing of drugs and medicines should be revised and the fees increased in order to prevent unhealthy competition in the trade which has been flooded with unqualified people.

#### Licensing Of Crude Drug Dealers

For the proper development of the pharmaceutical industry, it is necessary to see that the quality of the crude drugs used as raw materials is ensured.

It should be made compulsory that every licensed dealer in such drugs should give a warranty about their active constituents.

Manufacturers who obtain their crude drugs requirements directly should be licensed as dealers in crude drugs.

#### Chemical Name Vis-a-Vis Proprietary Name

Rule 109 (1) (a), which reads as follows, is at present applicable to Schedule "C" drugs. This Rule should be made applicable to all drugs and rigidly enforced. It should apply, in addition to the labels on the containers, to advertisements in medical, scientific and trade journals and the literature distributed to the medical profession and chemists and druggists.

Rule 109 (1) (a): Labelling: (1) Every phial ampoule

or other container of a substance specified in Schedule "C" shall bear a label on which is printed or written in indelible ink the following particulars, if any, as are specified in Schedule "F".

(a) The proper name of the substance in letters not less conspicuous than those in which the proprietary name, if any, is printed or written and following immediately after or under such proprietary name.

In the case of combinations the names of the main ingredients should be displayed in letters of readable size on the labels of the containers and in the advertisements and in the medical literature.

#### **Staff For Inspection And Testing**

A sufficient number of well-qualified and properly paid inspectors should be appointed so that the premises of drug manufacturers, distributors and traders may be more frequently inspected and samples drawn and tested.

#### **Problem Of Reuse Of Old Containers**

The problem of reuse of old containers has assumed serious proportions. Wide publicity to this is required and the co-operation of the public, the medical profession and chemists and druggists should be sought for the prompt destruction of such containers and thus prevent them from falling into the hands of unsocial elements. Documentary films, cinema slides and posters should be used for giving wide publicity to check this malpractice.

#### **Research Work**

Evaluation of drugs requires team-work by several groups of scientists. It should be actively encouraged as and when facilities for such team-work become available with the setting up of more Research Laboratories.

In order to provide the required number of research workers, it is necessary to train a large number of chemists and biologists in pharmacology in addition to medical men.

#### **Distribution And Advertisement**

##### **Distribution**

Drugs and medicines should not be allowed to be sold in grocers' shops, restaurants and by general merchants in cities and large towns.

Goods should be sold only at the prices so fixed and any deviation should entail cancellation of licence.

High priority should be given to the transport of pharmaceutical products. Consignments of medicines should be provided with special "rush labels" so that

even small packages could be moved at a faster rate.

#### **Advertisement**

Newspapers and especially publishers of journals in Indian languages in this country should themselves evolve a code of advertising and, if necessary, the State should step in to put an end to suggestive advertisements which exploit the credulous public.

#### **Medical Profession And The Pharmaceutical Industry**

The Expert body proposed for determining the essentiality of drugs should prepare a list of standard combinations which are considered essential and which should be allowed to be manufactured or imported.

#### **Technical Training For The Profession Of Pharmacy Status Of The Profession**

The profession of pharmacy should be given a recognized place in society.

#### **Training In Pharmacy**

To enable students to migrate from one university to another at an appropriate stage, there should be a uniform minimum standard of education in the different universities. There should be provision for post-graduate training in different branches of pharmacy in the various universities.

#### **Pharmacy Act**

The Pharmacy Act should be made operative uniformly throughout the country by extending it to all the States of the Indian Union.

The Pharmacy Council should be empowered to draw up a code of ethics for the profession of pharmacists which should be enforced rigorously.

#### **Dispensing of Drugs**

The question of requirements for a general practitioner in maintaining his dispensary in a proper way should be examined by the State and Central Medical Councils. It should be considered necessary for them to maintain minimum equipment and requisite storage arrangements and adequate maintenance of proper records on the lines of those provided under the Drug Rules.

#### **Employment Of Pharmacists**

The scales of pay that are applicable to pharmacists in the Centre and States should be upgraded wherever they are low.

Chief Pharmacists for all large hospitals should be graduates in Pharmacy.

# STORES PURCHASE COMMITTEE, 1953—REPORT

Delhi, Manager of Publications, 1955. 239p.

**Chairman :** Shri S. N. Buragohain (Shri G. B. Kotak became the Chairman of the Committee after the death of Shri S. N. Buragohain).

**Members :** Shri T. Sivasankar; Shri M. P. Pai (resigned); Shri N. M. Buch (died); Shri N. N. Wanchoo; Shri K. R. P. Aiyangar (replaced by Shri S. Ratnam); Shri K. L. Ghei; Shri G. S. Rao; Shri N. V. Rajan.

**Secretary :** Shri D. P. Karnik.

## APPOINTMENT

The Stores Purchase Committee was constituted under the Government of India, Ministry of Works, Housing and Supply, vide their Resolution No. P-3(201) dated March 11, 1953.

## TERMS OF REFERENCE

(i) To examine the scope and functions of the Central Purchasing Organization in India and the extent of delegation of powers necessary for the Indenting Departments for direct purchases with particular reference to specialized stores and special or emergent demands; and to consider the advisability of utilizing the Central Purchasing Organization for purchases by State-owned industrial enterprises and important River Valley and other Projects.

(ii) To examine the organization of the Central Purchasing Agency and to consider reorganization that may be necessary, including the extent of powers, provision of adequate and suitable personnel to man the organization, scales of pay, service conditions, technical qualifications of the staff, etc., with a view to securing greater efficiency.

(iii) To consider the manner of determination of Government demands and the authorities at appropriate levels competent for approving such demands, rationalized planning, provisioning and indenting of stores and screening and processing of such demands and the procedure for the communication of sanctions and contracts to Audit.

(iv) To examine the procedure and methods of purchase, progressing of deliveries and payment of bills with special reference to avoidance of delays and achieving better results in respect of quality and economy.

(v) To examine the procedure of inspection of stores by various agencies and to suggest general improvements, including simplification and rationalization of procedure.

(vi) To examine the working of the stores purchasing system in relation to assistance to articles of Indian manufacture and encouragement to small-scale and cottage industries.

(vii) To examine whether any modifications are required in the general conditions of contract, in particular whether the Arbitration Procedure now in force in the Supply Contracts is suitable.

(viii) To examine the policy, procedure and method of disposals of surplus stores with particular reference to their utilization against Government requirements.

(ix) To examine any other matters considered to be relevant to this enquiry.

## CONTENTS

Introductory; Central Purchase Organization—History and Review of Current Working; Retrospect; Working of the Directorate-General of Supplies and Disposals; Scope and Functions of the Central Purchase Organization; Purchase and Development Board and Non-Official Advisory Councils; Purchase and Development Board; Non-Official Purchase Advisory Councils; Purchase Corporation; Assistance to Industry; Screening of Indents for Imported Stores; Indents for Development Items; Price Preference; Relaxation in Quality; Definition of Cottage and Small-Scale Industries; Protection to Industry—Unfair Competition; Permanent Exhibitions; Directory of Government Requirements; Liaison Between “Purchase” and the “Development” Wing; Purchase of Imported Stores; Imported Stores—Purchase in India; Indents under “Foreign Aid”; Cross Mandate (Transfer) of Indents to Purchase Missions Abroad; Assistance to Indian Shipping; Purchase Missions Abroad; Determination and Planning of Demands; Assessment of Requirements; Programme for Indents; Special Indents: Indents for Proprietary Makes and Brands; Incomplete Indents: Changes in Specifications; Uniform Specifications; Indent Estimates—Prices and Deliveries; Budget Provision for Supplies of Stores; Purchase Procedure—Part I : General; Indent Forms; Registration of Suppliers; Tenders; Negotiated Purchases; Special Contracts; Sales Tax; Reckoning of Inland Freight; Purchase of Stores from State-owned Industries; Preference to Tried Firms, Makes and Brands; Issue of Import Licences; Purchase of Spare Parts; Purchase Procedure; Part II : Central Purchase Organization; Bulking of Indents; Rate/Running Contracts and Price Agreements; Repeat Orders; Ignoring of Lower Tenders;

Referring Tenders to Indenting Departments; Discretion to Exceed Prices Indicated by Indentors; Small Shortages and Excesses in Supply; Speedy Communication of Purchase Orders and Amendments to Paying Authority; "Control Data"; Financial Data; Financial Advice; Audit; Fees Charged by the Central Purchase Organization; "Write-Off" of Losses; Manuals of Instructions; Stores Purchase Rules; Delays in Supplies; Delays in Pre-contract Stage; Delays in Post-contract Stage; Progressing of Supplies; Payment Terms and Other Conditions of Contract; Uniform Terms of Payment and Conditions of Contract; Payment Authority; Delays in Payment; Refund of Security Deposits; Power of Attorney; Financial Accommodation; Consignee's Right of Rejection; Arbitration; "Liquidated Damages" for Delays in Supply; Other Conditions of Contract; Inspection of Stores; Inspection Agencies; Facilities for Routine Tests with Inspectors; State Inspection; Percentage Inspection; Delays in Inspection; Test Houses; Disposal of Surplus Stores; Disposals Organization; Determination of Surplus; General Policy and Procedure; Utilization of Surpluses Against Government Demands; Pricing Policy; Disposal "As Is, Where Is"; Disposal of Scrap; Non-official Disposals Advisory Councils; Directorate-General of Supplies and Disposals; Organizational Set-up, Personnel, Powers, etc.; Organizational Set-up of the Directorate-General of Supplies and Disposals; Strength of Personnel; Scales of Pay; Need for Permanency; Recruitment and Calibre of Personnel; Administration, Co-ordination and Statistics Personnel; Powers of Purchase and Disposal; Regional Purchase Offices; Commercial Intelligence; Complaints; Indentors' Liaison Officers; Office Accommodation; Conclusion and Summary of Recommendations; Appendix 1 to 46.

## RECOMMENDATIONS

The existing Central Purchase Organization (C.P.O.), i.e., the Directorate-General of Supplies, should continue. For the present, the *status quo* should generally be maintained between centralized purchases and direct purchases by Indenting Departments. Purchases of specialized stores should be progressively transferred to the C.P.O., as it becomes effectively equipped to handle larger purchases.

Purchases for industrial and other undertakings owned by the Central Government should be made through the C.P.O. subject to exceptions to be agreed upon.

State Governments, Port Trusts and larger Municipal Corporations should be persuaded to make their purchases of imported stores through the C.P.O.

The Railways, the Posts and Telegraphs and the Defence Departments should be authorized to make

direct purchases up to the enhanced value of Rs. 10,000 in each case.

Indenting Departments should have the authority to make direct purchases in emergencies.

Direct purchases may be made by the Indenting Departments in the case of arms and ammunition, or where intervention/assistance of, or negotiation with, a foreign Government is necessary.

In respect of imported stores proposed to be manufactured indigenously with the technical assistance of foreign manufacturers or consultants, Departments may make direct purchases.

During the construction period, Industrial and River Valley Projects may make direct purchases subject to certain conditions; for other major projects, direct purchases may be authorized in suitable cases.

A high-power Purchase and Development Board should be established to control and co-ordinate the Government's purchase activities with particular reference to development of industries.

A non-official Purchase Advisory Council should be established to advise the Government on procurement policy and procedure; non-official Purchase Advisory Committees should also be established to advise the regional offices of the C.P.O.

The Purchase and Development Board should be kept informed of the direct purchases of imported stores made by the Defence, Railways and other Departments, Industrial and River Valley Projects, Corporate Bodies and State Governments.

Certain classes of stores should be reserved for purchase only from cottage and small-scale industries.

Permanent exhibitions should be opened in large cities to display samples, drawings, models, etc., of the stores required by the various Government Departments, which are at present being imported.

The "Purchase" and "Development" Organizations of the Government of India should be placed under a common Ministry.

Indents should be classified under five categories: "Programme" or "Normal", "Ad Hoc", "Urgent", "Operational", and "Development" indents; specific coloured forms should be used for each type.

Indenting Departments should reduce the number of special indents, i.e., "Ad Hoc", "Urgent", "Operational"; purchase procedure should be so devised as to meet such requirements with minimum delay.

The present policy in regard to purchases from Ordnance Factories may continue. The spare capacity in the Ordnance Factories should be first utilized to meet Government requirements of stores normally imported or where indigenous capacity is insufficient to meet the country's demands.

The Progress Wing of the C.P.O. should maintain "Progress Cards" for watching deliveries.

A time-schedule should be fixed in the C.P.O. for completion of action at each stage on the indents received till conclusion of contracts. A period of 90 days from the receipt of an indent should be prescribed for placing orders for stores of common type and 150 days for stores of complicated nature. "Emergent" and "Operational" indents should be dealt with personally by senior officers not below the rank of Director.

The Government should discourage payment of advances against contracts and encourage a wider application of the system of "progress" payments. Suppliers in India should not receive less favourable financing terms than those allowed when purchases are made abroad.

All available information regarding the condition of the stores should be notified to the public while inviting tenders for disposal of surplus.

Arrangements should be made to fill all the permanent posts in the C.P.O. on a permanent basis.

Two Central Services, one for "Supply" and the other for "Inspection", should be constituted for the C.P.O.

The "Central" and "Regional" lists of stores should be revised; the "Central" list should be kept to the minimum.

The C.P.O. should have its own bi-weekly "Commercial Bulletin" for prompt publication of information of commercial interest to give advance intimation of probable demands. Copies of the Bulletin should be mailed free to the registered cottage and small-scale industrial units.

To ensure that complaints from indentors and suppliers are dealt with expeditiously, a special officer should be appointed in the Progress Wing. This arrangement should be notified to indentors and suppliers.

## BELLARY TALUQ ENQUIRY COMMISSION, 1953—REPORT

Delhi, Manager of Publications, 1953. 55p.

One-Man Commission : Mr. Justice L. S. Misra.

### APPOINTMENT

The Bellary Taluq Enquiry Commission was constituted under the Ministry of Home Affairs vide their Memorandum No. 110/53-P.S.S. dated April 28, 1953.

### TERMS OF REFERENCE

To enquire into the various factors regarding the future of Bellary Taluq, and to report thereon.

### CONTENTS

Introductory; Reference; Enquiry; Topography; The Kannadiga Case; The Andhra Case; Linguistic Composition; Administrative Convenience; Financial Implications; Economic Well-being; Cultural Affinity; Historical Background; Appendices; Tables.

### RECOMMENDATIONS

Bellary Taluq should go as a whole to the State of Mysore subject to the transitional arrangements which I shall now proceed to set out. These transitional arrangements are designed to provide facilities to Andhra State and its people in order to enable it to function with facility and ease for a reasonable period. From the talk that I had with the Government of Mysore I gathered that in the matter of transitional

arrangements there would be no difficulty in arriving at a sympathetic settlement. Of course, the Government of India can arbitrate where necessary.

Subject to the above observations, I would indicate below the principal matters about which arrangements between the two States may be necessary and the lines on which they may be settled.

#### 1. Regional Offices

There are a number of Regional Government Offices located at Bellary. Andhra State may find it difficult to secure immediate accommodation in its territory for most of them. I would, therefore, recommend that it should be allowed five years' time to shift these offices. An exception will have to be made in the case of the office of the D.I.G., Police, which should be shifted immediately after the formation of the new State.

#### 2. Jails

Besides the District Jail, there are three other jails in Bellary town of a regional nature. They are:

Name of Jail	Present Population
1. Central Jail	1,076
2. Allipuram Borstal School	158
3. Junior Certified School	443

The bulk of the inmates of these institutions belong to districts other than Bellary. It would take time for Andhra State to provide alternative accommodation and I would recommend that, while the administration of these institutions must be transferred to Mysore State, there should be adequate reservation for a period of 10 years of accommodation for Andhra State on payment of the expenses involved.

### 3. The Rayalaseema Polytechnic

The Polytechnic has at present 208 students on its rolls of which 108 belong to Bellary District and 100 to other districts of the would-be Andhra State (including 72 from Rayalaseema District alone). There are only two other polytechnics in Andhra State—at Vuyyuru (Krishna District) and Kakinada. Obviously, these two cannot be expected to cater to the needs of the whole State. The Rayalaseema Polytechnic at Bellary has recently shifted to new buildings which have been put up at a cost of Rs. 3.65 lakhs and it has equipment

costing Rs. 4.27 lakhs. It will take considerable time for the new Andhra State to be able to provide a new polytechnic for the Rayalaseema area. I would, therefore, recommend that about half the seats in the Bellary Polytechnic should be reserved for Andhra State students on payment of the necessary cost for a period of 10 years.

### Government Wellesley T.B. Sanatorium, Bellary

Bellary is noted for its excellent climate and has been chosen as the site of the T.B. Sanatorium for this reason. The present number of patients in the Sanatorium is 265. The bulk of them belong to districts other than Bellary. I would recommend that a proportion of beds should be reserved for Andhras by mutual arrangements between the two States and on payment of the necessary expenses. The proportion and the time during which the arrangements are to subsist should also be settled by negotiation between the two States.

## PART B STATES (SPECIAL ASSISTANCE) ENQUIRY COMMITTEE, 1953—REPORT

Delhi, Manager of Publications, 1953. 61p.

Chairman : Shri N. V. Gadgil.

Members : Shri Bimal Comar Ghose; Shri S. V. Ramamurty.

Secretary : Shri C. Ganesan.

### APPOINTMENT

The Part B States (Special Assistance) Enquiry Committee was constituted under the Ministry of States vide their Resolution No. 66-SF/53 dated April 28, 1953.

### TERMS OF REFERENCE

(a) To review the results of the progress made in the internal integration of the administration and services in these States and the problems, financial and technical, if any, created for them by such integration;

(b) To enquire into the developmental needs of these States; and

(c) To make recommendations regarding any financial and technical assistance still required by these States to enable them to attain a reasonable standard of development, taking into account:

(i) the efforts made by the State Governments to

increase their available resources by additional taxation;

(ii) the assistance envisaged in the Five Year Plan to these States and the extent to which their special circumstances have been taken into account in fixing the quantum of such assistance; and

(iii) the additional resources made available to them under the recommendations of the Finance Commission.

### CONTENTS

Preliminary; Background of the Enquiry; Federal Financial Integration; Analysis of the Memoranda Presented by the States; Internal Integration of Administration and Services; Development; Taxation Efforts of the States; Recommendations; Appendices.

### RECOMMENDATIONS

The brief analysis which we have attempted of the position in regard to the various matters in the Part B States will, we think, establish fairly conclusively that so far as the developmental requirements are concerned these have been considered in the framing

of the Five Year Plan by the Planning Commission. There are some long-term projects to which the States naturally attach particular importance. Prominent among these are the proposals for contour bunding which the Saurashtra Government have included as part of their Agricultural Programme and the Afforestation Programme as laid down by the Government of Saurashtra in respect of which they feel that the provision under the Five Year Plan does not enable them to progress fast enough. Similar programmes of other States will also require consideration but we feel, as we have pointed out above, that the most appropriate method of preparing phased programmes for implementing these requirements will be in consultation between the State Governments and the Planning Commission. While there may be shortcomings in certain directions, it seems that taking an overall picture, the general backwardness of these States in regard to development has been adequately taken into account by the Planning Commission.

Nevertheless we feel that having regard to the background of the problems which the State Governments had and to their peculiar difficulties, a certain amount of initial financial help is still necessary and that this should be given to them by the Centre. In this respect these four States must be considered in a somewhat different position from the other States which have had comparatively simpler tasks to face.

In fixing the Central assistance for these States the Planning Commission has taken into account the question of the Special Assistance which they require. In the case of Saurashtra, we understand that, on account of certain special circumstances, a sum of Rs. 2 crores is to be treated as grant.

In view of the special circumstances of these States and their need for financial assistance in the initial stages we recommend that out of the Central assistance which has been envisaged in the Five Year Plans of these States an amount of Rs. 4 crores (in addition to

whatever amounts the Government of India have so far decided to allot in the shape of grants) should be treated as outright grant.

There is one more direction in which we think the States deserve some assistance. They have represented that they are short of administrative buildings inclusive of police buildings and some of the States have brought forcefully to our notice that they lack in certain essential directions, namely, link roads, public health services in rural areas, etc. We recommend, therefore, that a sum of Rs. 4 crores should be given to these States as an *ad hoc* grant during the next two years.

This amount is to be in addition to the assistance which the States have so far received from the Government of India in various directions and is to be spent on plans approved by the Centre but formulated by the States themselves having regard to their individual requirements. We also recommend that, if any balance of this amount remains unspent at the end of the two-year period, it should not be allowed to lapse but should be made available in the subsequent period, also on the same conditions as before.

We also wish to make the following recommendations with a view to strengthening the administrative machinery of the State Governments:

(i) Each of the States may be provided with two senior officers, one specially competent to deal with general administration and the other with development, so that their services may be utilized as Chief Secretary and Development Commissioner respectively.

(ii) In the initial stages of planning and development, in each of these States a Planning and Development Board may be entrusted with planning and implementation of the Plan, the relation of the Board to the State Government being analogous to that of the National Planning Commission to the Central Government and one member of the Board being nominated in consultation with the National Planning Commission.

## PORT AND SHIPPING STATISTICS COMMITTEE, 1953—REPORT

Delhi, Ministry of Transport, 1955. 322p.+viip.

**Chairman :** Shri M. A. Master.

**Members :** Shri S. N. Hajji; Shri C. R. B. Menon; Shri P. R. Subramaniam; Dr. B. Ramamurti; Shri A. Mudie (retired from service and replaced by Shri L. H. Cornish); Shri B. B. Gujral.

**Secretary :** Shri D. K. Guha.

### APPOINTMENT

The Port and Shipping Statistics Committee was constituted under the Ministry of Transport on May 7, 1953.

### TERMS OF REFERENCE

(i) The type of port and shipping statistics that

are already being collected and maintained in major and minor ports;

(ii) The extent to which such statistics are being published either by Government Departments or Port Authorities and whether there is any duplication of effort;

(iii) Having regard to the needs of the Government, the trade and international agencies, what further statistics should be collected in regard to ports and coastal and ocean-going shipping; the agencies for collection and compilation; the material that should be published and the manner of publication.

## AMENDED AND AMPLIFIED TERMS OF REFERENCE

As a result of the correspondence passed between the Chairman of the Committee, the Ministry of Transport and the Directorate-General of Shipping, it was felt by the Ministry of Transport that the Terms of Reference of the Committee should be amplified and it was decided by the Ministry that the question whether the Terms of Reference of the Committee required to be amended or not might be left over to be discussed by the Committee itself at its first meeting in the first instance. Accordingly, at the first meeting of the Committee held on August 17, 18, 19, 1953, the matter was fully discussed and sanction of the Government sought for the proposed Amended Terms of Reference.

The final Terms of Reference, as approved by the Government, are as under:

### I. To examine and report:

(a) On port and shipping statistics that are already being collected and maintained in major and minor ports;

(b) The extent to which such statistics are being published either by the Central or the State Government, or port authorities, and whether there is any duplication of effort;

(c) On shipping statistics that are collected, maintained and published by the Government of India and State Governments.

II. The Committee shall examine the existing system of collection, maintenance and publication of port and shipping statistics, in all its aspects, and make recommendations:

(a) As to what measures should be taken for collecting information regarding the cargo carried by all shipping companies in the coastal and overseas trades and the amount of freight payable thereon;

(b) As to what measures should be taken for collecting information in regard to the nature and quantity of cargo to be imported into India or to be exported from India, which may be under the ownership and/or control of the Central or the State Government, or the

local authority, and the amount of freight that may be paid thereon;

(c) As to what measures should be taken for collecting further statistics in regard to ports and coastal and ocean-going shipping, with particular reference to the needs of the Government, the trade and international agencies and the shipping industry;

(d) In regard to the agencies that should collect and compile the statistics mentioned in (a), (b) and (c) above;

(e) In regard to the publication of the material referred to in (a), (b) and (c) above, and the manner of its publication;

(f) As to what further statutory powers will be necessary for giving effect to their recommendations.

In making their recommendations, the Committee may take into consideration the nature and extent of the collection, maintenance and publication of port and shipping statistics in such leading maritime countries as the United Kingdom, the United States of America, Japan, Germany, Norway, Italy, Holland, Belgium and France.

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Introductory (Appointment of the Committee and the Original Terms of Reference; Amended and Amplified Terms of Reference; Other points discussed in the first meeting; Issue of Questionnaire; Appointment of a Sub-Committee—study of all questions on the spot by Personal Interviews; Information regarding Port and Shipping Statistics in Leading Maritime Countries; Cargo carried under the ownership and/or control of the Central or State Governments; Total Deadweight Tons of Imports into and Exports from India and the freight paid or payable thereon; Cargo coming to India under the T.C.A. Aid; Second Meeting; Passenger Traffic Statistics; Further Interviews with the Director-General of Shipping; Additional Interviews at Bombay; Concluding Meeting and Signing of the Report); Statistics Collected and Maintained by Major Ports (Control and Administration of Major Ports; Share of Major Ports in the Total Tonnages Imported and Exported; Maintenance of Statistics under different groups; Subjects and Fields which Statistics should cover; Tonnages of Principal Commodities Exported and Imported; Number of Commodities for which Statistics Maintained—their conversion into Deadweight Tons; Tonnage of Principal Commodities—Coastal and Foreign; Statistics for Transshipment Cargo; Region-wise Tonnages of Imports and Exports of Principal Commodities; Madras Cautions Against the Correctness of Region-wise Statistics; Flag-wise Tonnages of Imports and Exports; Imports and Exports according to Shipping Lines and Agencies; Statistics of Cargo and Passengers carried by and of the Shipping Tonnage



of the Sailing Vessels; Passenger Statistics; Number and Tonnage of the Ships that arrived or departed and entered and cleared; Import and Export by Dry Cargo Vessels and Tankers; Turn-round of Vessels at Ports; Statistical expression not used in the same sense at all ports; Different Basis of Classifying Ships at Different Ports; No uniform basis of allocating cargo to coastal and foreign trade; Different Systems followed at Different Ports for entering or clearing ships in Foreign Trade; How the Customs Authorities enter and clear vessels into Foreign Trade; How the U.K. defines "Foreign" and "Coastal" Trade; How vessels are entered and cleared into Foreign Trade in the U.K.; Port-wise Statement of Commodities at Madras Defective; All Statistical Expressions must have the same meaning at all the ports; Circulation and Supply of Statistics; Statistics supplied to the Ministry of Transport by the Major and Minor Port Authorities; Statistics supplied to the Director-General of Shipping, Bombay, by the Major and Minor Port Authorities; Comparative Statements of Statistics of the Major and Minor Ports; Statistics Collected and Maintained at Minor Ports (Number of Minor Ports and the Authority controlling them; Who Administers the Affairs of Minor Ports; Who Collects the Statistics at Minor Ports; Basic Documents from which Statistics are Collected; the Nature of Statistics Collected—General Observations; Tonnages of Commodities—separate figures for Coastal and Foreign Trades; Line-wise and Agent-wise particulars of Imports and Exports; Flag-wise Statistics of Imports and Exports; Separate Statistics for Dry Cargo Vessels and Tankers; Particulars of Transshipment Cargo; Passenger Statistics; Shipping Statistics—number and tonnage of vessels that arrive and depart or enter and clear the ports; Tonnages of Commodities Imported and Exported and Passengers carried by sailing vessels; Circulation and Supply of Statistics); Basic Documents for Statistics Collected by Ports (Basic Documents for Cargo Statistics; Columns in the Basic Documents and how they are filled in; Basic Documents for Customs Trade Statistics; Number of Bills of Entry and Shipping Bills filed and their distribution at the different ports; Procedure in respect of delivery of imports and shipment of exports differ from port to port; How the particulars about weight are obtained in Import and Export Applications; The Forms of the Basic Documents; Names of the Basic Documents should be same at different ports; Gross weight to be shown in every Import and Export Application; Uniform Nomenclature for charges of similar nature; Uniform Procedure as regards Delivery of Imports and Shipment of Exports; Basic Documents for Cargo Statistics at the ports which have no Documents of their own; Basic Documents for Vessels and Passengers: Forms of the Arrival and Departure

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## RECOMMENDATIONS

### Primary Collecting Agency For Cargo Statistics

Statistics regarding the deadweight tonnage of cargo imported or exported, classified according to different cross-sections, should be compiled by the ports and sent to the Central Agency for compiling statistics on an all-India basis.

### Central Agency For All-India Compilation And Publication Of Statistics

The Directorate-General of Shipping should be the appropriate Central Agency for all-India compilation and publication of the various types of statistics recommended by the Committee.

### Thirty-Two Port And Port Groups To Send Statements To The Directorate-General Of Shipping

All the statements mentioned in Chapter XII which are to be forwarded by the ports to the Directorate-General of Shipping should be sent by 32 Ports and Groups mentioned in the Schedule given in Appendix XXVIII.

## Cargo Statistics

### Commodity-wise Cargo Statistics

All the Major and Minor Ports should, in future, maintain all their commodity-wise cargo statistics according to a uniform standard commodity schedule given at the end of Chapter XII.

### Basic Documents For Cargo Statistics For All Ports

The basic documents for collection of cargo statistics at all the ports, including the 111 Minor Ports, where there are at present no port documents, should be the Port Revenue Documents.

### Same Name For Basic Documents

The names of these basic documents should, in future, be the same at all ports, viz., Import and Export Applications.

### Basic Documents For Statistics Of Cargo Carried By Sailing Vessels

The basic documents for statistics of cargo carried by sailing vessels should be also the Import and Export Applications.

### Essential Items To Appear On Import And Export Applications

The Import and Export Applications should have, amongst other items which the port might find necessary to have for other purposes, the following columns:

Import Application	Export Application
(1) Vessel's Name.	(1) Vessel's Name.
(2) Name of the Line.	(2) Name of the Line.
(3) Name of the Agent or Charterer.	(3) Name of the Agent or Charterer.
(4) Nationality of the Flag.	(4) Nationality of the Flag.
(5) The Port and Country of Shipment.	(5) Port and Country of Destination.
(6) Name of the Commodity.	(6) Name of the Commodity.
(7) Country of Origin.	(7) Country to which Consigned.
(8) Marks and Numbers of the Consignment.	(8) Marks and Numbers of the Consignment.
(9) Gross Weight of the Consignment.	(9) Gross Weight of the Consignment.

### Gross Weight Particulars And Uniform Standard Conversion Table

The gross weight of the consignment must always be recorded in the Import or Export Applications. In

the cases where gross weight particulars are not necessary for the port to realize its charges and the particulars are shown in gallonage, measurement, units, etc., the gross weight of the consignment should be arrived at by applying a Standard Conversion Table, which has been given in Appendix XV.

### Every Port To Have Copies Of Bills Of Entry And Shipping Bills

A definite procedure should be laid down for supplying port authorities with a copy of the Bill of Entry or Shipping Bill for each consignment at every Major and Minor Port in India.

### Uniform Nomenclature For Charges

A proper study should be made for ensuring uniform nomenclature at all the ports, as far as possible, for the port charges for same types of operations, services rendered, etc.

### Uniform Procedure

All possible steps should be taken to ensure uniformity of procedure, as far as possible, at all ports for making them responsible for the delivery and shipment of cargo that passes through their jurisdiction.

### Tonnages Of Imports And Exports

The ports should send monthly statements to the Directorate-General of Shipping (Central Agency) showing total tonnages of imports and exports, broken up into coastal and foreign, and the Directorate-General should compile them on an all-India basis and publish the figures in its monthly Bulletin.

### Commodity Flag-wise Statements

Every port should maintain a monthly flag-wise statement giving particulars of the tonnages of commodities mentioned in the Schedule of Commodities, imported into or exported from that port, according to the nationality of the flag of the ship which brought or carried them. This monthly flag-wise statement should be forwarded by the ports to the Directorate-General of Shipping (Central Agency) and the Directorate-General should compile and publish the figures in its monthly Bulletin.

### The Flags For Commodity Flag-wise Statement

The commodity flag-wise statement should be maintained under the following flags:

1. Indian, 2. British, 3. Dutch, 4. Danish, 5. Greek, 6. Italian, 7. Japanese, 8. Norwegian, 9. Panamanian, 10. Pakistani, 11. Swedish, 12. U.S., 13. Canadian, 14. German, 15. French, 16. Liberian, 17. Belgian, 18. Chinese, 19. Russian, 20. Burmese, 21. Ceylonese, 22. All other flags.

### Commodity Region-wise Statements

Every port should maintain a monthly region-wise commodity statement giving separate figures for the total tonnage of each commodity mentioned in the Schedule of Commodities, imported from or exported to these regions. The ports should forward every month this monthly region-wise commodity statement to the Directorate-General of Shipping (Central Agency), which should compile and publish the figures in its monthly Bulletin on an all-India basis.

### The Regions For Commodity Region-wise Statement

The region-wise commodity statement should be maintained, both for imports and exports, for the following regions:

#### Coastal Trade

1. West Bengal, 2. Orissa, 3. Madras, 4. Andhra, 5. Travancore-Cochin, 6. Cochin Port, 7. Bombay, 8. Saurashtra, Okha and Cutch, 9. French Indian Possessions, 10. Indian Portuguese Possessions.

#### Adjacent Trades

11. Pakistan, 12. Ceylon, 13. Burma.

#### Overseas Trades

14. Malaya and Straights, 15. Other South East Asian Countries, 16. Japan, 17. China, 18. Persian Gulf Ports, 19. Saudi Arabia and Red Sea Ports, 20. Other Asian Countries, 21. Egypt, 22. East Africa, 23. South Africa, 24. Other African Countries, 25. Australia and New Zealand, 26. United Kingdom, 27. France, 28. Belgium, 29. Netherlands, 30. Germany, 31. Scandinavian Countries, 32. Union of Soviet Socialist Republics, 33. Other European Countries, 34. Canada, 35. United States of America, 36. Central America, 37. South America, 38. All other countries.

### Commodities Carried In Coastal Trade By Non-Indian Ships

The Directorate-General of Shipping should maintain tonnages of the commodities which are carried in the coastal trade by ships of non-Indian flags. These figures should be shown separately in the monthly Bulletin, which should be published by the Directorate in its monthly Bulletin.

### Tonnages Of Commodities Imported And Exported

The ports should send a monthly statement giving separate figures of the tonnages of commodities, imported and exported, broken up into "by steamer" and "by sailing vessel", in coastal and foreign trade to the Directorate-General of Shipping (Central Agency) and the Directorate-General should compile and

publish the figures on an all-India basis in its monthly Bulletin.

### Line-wise And Agent-wise Statements

The ports should send separately monthly statements of the tonnages, of imports and exports, brought or carried by different shipping companies as well as by the shipping companies under different agencies to the Directorate-General of Shipping (Central Agency) and the Directorate-General should compile and publish the figures on an all-India basis in its monthly Bulletin.

### Flag-wise Statements

The ports should send monthly flag-wise statements, showing the total number of vessels, total tonnages of imports and exports brought or carried by each flag, broken up into coastal and foreign, to the Directorate-General of Shipping (Central Agency) and the Directorate-General should compile and publish the same on an all-India basis in its monthly Bulletin.

### Same Bottom Cargo Not Discharged In India And Transshipment Cargo

The port should send monthly statements showing particulars of total tonnage of transshipment cargo at every port and the particulars of the same bottom cargo not to be discharged at any port in India only at the first port of call of the vessel, to the Directorate-General of Shipping (Central Agency) and the Directorate-General shall compile and publish the same on an all-India basis in its monthly Bulletin.

### Dry Cargo Vessels And Tankers

The ports, where tankers call, should furnish a monthly statement showing the number of dry cargo vessels and tankers and total tonnages of imports and exports carried by them to the Directorate-General of Shipping and that the Directorate should compile and publish the same on an all-India basis in its monthly Bulletin.

### Shipping Statistics

#### Standard Definitions For Certain Statistical Terms

The following statistical terms should be defined as under:

(1) Coastal Ports: All ports lying on the coast of Indian Union, together with the ports within the French and Portuguese territories in India.

(2) Foreign Ports: Ports other than the Coastal Ports, as defined above.

(3) Coastal Cargo: Any cargo imported into a port of India from any other Indian coastal port or any cargo exported from a port in India to another Indian coastal port.

(4) **Foreign Cargo:** Any cargo imported into a port of India from a port other than an Indian coastal port or any cargo exported from a port of India to a port other than a coastal port of India.

(5) **Coastal Trade:** Import or export trade at an Indian port with a port other than an Indian coastal port.

(6) **Foreign Trade:** Import or export trade at an Indian port with a port other than an Indian coastal port.

(7) **Arrivals and Departures:** Every port will show the number and net registered tonnages of vessels arrived and departed—irrespective of the fact whether it was running in the Coastal or Foreign Trade.

(8) **Entries and Clearances in Foreign Trade:** A vessel will be treated as entered in foreign trade when it arrives from a foreign port at the first port in India. Similarly, a vessel will be treated as cleared in foreign trade when it leaves for a foreign port at the last port in India. If, however, the vessel carries no cargo, it will be shown as entered in foreign trade in ballast at the first port in India and cleared in foreign trade in ballast at the last port in India.

(9) **Arrivals and Departures in Coasting Trade:** Vessels engaged in exclusively coastal trade will be recorded as Arrivals and Departures in Coasting Trade. There will be no such items as entries and clearances in Coasting Trade.

#### Shipping Statistics To Be Maintained By Ports

The ports should maintain figures showing the number and N.R.T. of all vessels, steamers and sailing vessels separately, with cargo and in ballast, arrived and departed for their own use.

#### Essential Items in Arrival And Departure Reports

Every vessel should submit an "Arrival Report" when it arrives at a port and "Departure Report" when it leaves a port to the Port Authorities at all the ports, Major and Minor. While it will be competent for each port to have its own Arrival and Departure Report forms, each of such forms must contain the following essential items for the collection of shipping and passenger statistics by the ports themselves.

#### Arrival Report

- (1) Name of the Vessel.
- (2) Name of the Master.
- (3) Name of the Agents or Charterers.
- (4) Name of the Line.
- (5) Nationality of the Flag.
- (6) Gross Registered Tonnage.
- (7) Net Registered Tonnage.
- (8) Name of the First Port the Vessel left on voyage.

(9) Names of the Intermediate Ports and the Last Port the vessel left.

(10) Whether the vessel is carrying any cargo or arrived in ballast.

(11) If carrying cargo, Approximate Deadweight Tonnage of cargo carried for discharge at the port.

From	...	Tons	...
From	..	Tons	...
From	..	Tons	...
From	...	Tons	...

(12) Approximate Deadweight Tonnage of the cargo which the vessel is carrying but will not discharge at any Indian port.

From ... to ... Tons.

(13) If carrying passengers, number of passengers:

Saloon  
Total  
Unberthed  
Embarked from

#### Departure Report

(14) If carrying mails, number of packages and Deadweight Tonnage.

- (1) Name of the Vessel.
- (2) Name of the Master.
- (3) Name of the Agents or Charterers.
- (4) Name of the Line.
- (5) Nationality of the Flag.
- (6) Net and Gross Registered Tonnage.
- (7) Whether leaving with Cargo or in Ballast.
- (8) If leaving with Cargo, Deadweight Tonnage of Cargo and the Name of the Port of Destination.

Tonnage	...	Port	...
Tonnage	...	Port	...
Tonnage	...	Port	...
Tonnage	...	Port	...

- (9) Next Port of Call.
- (10) Final Port of Call.
- (11) Intermediate Ports of Call.
- (12) If carrying passengers embarked from the port (separately for each port of disembarkation), number of passengers:

Saloon  
Unberthed  
Total  
Port of Disembarkation

(13) If carrying passengers not embarked at the port, number of passengers:

Saloon  
Deck  
Total  
Port of Disembarkation

(14) If carrying mails, number of packages and approximate tonnage.

## Basic Documents For Shipping Statistics In Case Of Sailing Vessels

The basic documents for ports for collecting Shipping Statistics in respect of sailing vessels should be the Arrival and Departure Reports which the sailing vessels must submit to the ports.

## Shipping Statistics To Be Maintained By Customs And Sent To D.G. Shipping

The Customs Authorities should maintain the following shipping statistics:

(i) Figures showing number and N.R.T. of vessels, steamers and sailing vessels separately with cargo and in ballast entered and cleared in foreign trade. The figures should be maintained both region-wise and flag-wise as at present.

(ii) Figures showing number and N.R.T. of vessels, steamers and sailing vessels separately with cargo and in ballast arrived and departed in coasting trade.

(iii) Figures showing number and N.R.T. of all vessels, steamers and sailing vessels separately with cargo and in ballast, arrived at or departed from a port.

The Customs Authorities should send these figures monthly and annually to the Directorate-General of Shipping (Central Agency) and the Directorate-General should compile and publish the figures on an all-India basis in its Bulletin. The Director-General of Shipping in consultation with the Customs Authorities should examine the existing forms and registers kept by the Customs for recording shipping statistics and make suitable modifications and introduce such new forms as may be found necessary.

## Classification Of Ships According To Flags

The present system of classification of ships as "Indian", "British" and "Foreign", for the purposes of maintenance of shipping statistics by the Customs Authorities, has been examined. In future there should be two broad classifications, viz., "Indian" and "Non-Indian". The non-Indian ships will be again broken up into different flags.

## Passenger Statistics

### Passenger Statistics To Be Maintained By Ports

Every port should maintain figures showing the total number of passengers, according to regions of travel broken up into Saloon and Deck, but the ports which are maintaining more detailed statistics at present should continue to do so.

### Basic Documents For Passenger Statistics To Be Maintained By Ports

Every vessel should submit an Arrival Report when it arrives at a port and a Departure Report when

it leaves a port to the Port Authorities at all ports, Major and Minor. While it will be competent for each port to have its own Arrival and Departure Report Form, each of such forms must contain certain essential items already mentioned in Para 618 for the collection of shipping and passenger statistics.

### Basic Documents For Statistics Of Passengers By Sailing Vessels

The basic documents for the ports to collect statistics of passengers arriving or departing by sailing vessels should be the Arrival and Departure Reports.

### How Passenger Statistics In Foreign Trade To Be Maintained

As more detailed information about passengers than what is maintained by ports is necessary, the statistics of passengers leaving India or arriving in India from abroad should contain information about the class of travel, sex, age, nationality, region, profession or calling and the object and duration of visit of the passengers.

### How Passenger Statistics In Coastal Trade To Be Maintained

In case of passengers in the coastal traffic, only the total number of passengers, broken up into Saloon and Deck, from one port to another should be maintained.

### Shipping Companies To Furnish Statements For Passengers

Information in regard to passengers entering or leaving India should be collected from the shipping companies.

### Returns To Be Submitted By Ships In Case Of Passengers In Foreign Trade

Every ship arriving from abroad at an Indian port with passengers, or leaving for foreign ports with passengers from an Indian port, should furnish to the Directorate-General of Shipping (Central Agency), through the Port Authorities, immediately after arrival of the ship and before the departure of the ship, lists of passengers, one for passengers disembarking and the other for passengers embarking, in accordance with the forms given in Appendix XXV and Appendix XXVI respectively. The Directorate-General should compile and publish the figures, on an all-India basis, in its monthly Bulletin.

### Returns To Be Submitted By Shipping Companies In Case Of Passengers In Coastal Trade

Every shipping company, licensed to carry passengers in the coastal traffic, should send, for each of its Lines, a monthly statement in the form shown in Appendix XXVII to the Directorate-General of Shipping

and the Directorate-General should compile and publish the figures, on an all-India basis, in its monthly Bulletin.

#### **Other Statistics To Be Maintained By Ports And Published By The Directorate-General Of Shipping**

##### **Turn-Round Of Ships**

The reports of the turn-round of ships should be furnished once in every three months by the ports to the Directorate-General of Shipping (Central Agency) and the Directorate-General should publish the reports once in every three months in its Bulletin.

##### **Port Facilities, Etc.**

Every port should send an annual statement to the Directorate-General of Shipping (Central Agency) giving full particulars of the facilities available at that port, such as berths, jetties, docks, cranes, transit sheds, warehouses, facilities for supply of water, bunkering, flotilla, dry docks, etc. The Directorate-General should compile the same, on an all-India basis, and publish it once in every three years in its Bulletin.

##### **Officers Handling Ships At Ports**

Every port should send an annual statement to the Directorate-General of Shipping (Central Agency) giving the strength of the different categories of officers at the ports who handle ships. The Directorate-General should compile these figures on an all-India basis and publish the same once a year in its Bulletin.

##### **Labour Statistics**

Every port should submit an annual report to the Directorate-General giving a broad picture of the output of labour in handling cargo and the cost which the port incurs in doing so. The report should also give particulars of the average number of the port labour employed under the different services which the port renders to trade and shipping. The Directorate-General should publish the reports on an all-India basis once a year.

#### **Statistics Maintained Are To Be Maintained By The Directorate-General Of Shipping**

##### **Register Of Indian Ships**

The Register of Indian Ships, at present maintained by the Directorate-General of Shipping, should be amplified so that further details might be kept. The particulars shown in this Register should be published annually in the Directorate-General's Bulletin.

##### **Register Of Sailing Vessels**

A separate Register should be maintained by the Directorate-General of Shipping for sailing vessels.

The particulars given in this Register should be published annually in the Directorate-General's Bulletin.

##### **Casualty Register**

The "Casualty Register" at present maintained by the Directorate-General of Shipping should be amplified as shown in Para 327.

##### **Register Of Sea Personnel**

The Directorate-General of Shipping should maintain a Monthly Register showing the position of the Executive and Engineering Officers and the crew employed by Indian Shipping Companies in a certain form as shown in Para 362. The particulars shown in this Register should be published annually in the Directorate-General's Bulletin.

##### **Losses And Gains Of Sea Personnel**

The figures in respect of gains and losses of the Officers and Ratings of the Indian Merchant Navy should be collected and maintained, in accordance with the form shown in Appendix XVII, and such statistics should be published in the Directorate-General of Shipping's monthly Bulletin.

##### **Register Of Indian Shipping Companies**

The Directorate-General of Shipping should maintain a register showing information about the Indian Shipping Companies under certain heads.

##### **Construction And Launching Of Ships**

The Directorate-General of Shipping should collect information of ships constructed, launched and under construction in India, every quarter, and should publish the same on an all-India basis once in every three months in its Bulletin.

##### **Vessels Laid Up Or Under Repairs**

The Directorate-General of Shipping should collect particulars about Indian ships laid up or under repairs and should compile and publish, on an all-India basis, these figures every month in its Bulletin.

##### **Training Institution For Sea Personnel**

The Directorate-General of Shipping should collect information in regard to the training institutions for training sea personnel that exist in India and those that may come into existence in future and should also compile information on an all-India basis in regard to the cadets, officers and seamen, trained by such institutions. The particulars should be published on an all-India basis by the Directorate-General once a year in its Bulletin.

## **Further Statutory Powers Necessary For The Following: For Passenger Statistics In The Foreign Trade**

As regards the statistics in respect of passengers arriving from or leaving for foreign countries, which would have to be collected by the Directorate-General of Shipping from the returns shown in Appendices XXV and XXVI, to be submitted by all Shipping Companies, the Government should obtain the opinion of the Ministry of Law whether the Collection of Statistics Act, 1953, provides for the necessary statutory powers. If the reply is in the negative, the Government should enact necessary legislation as early as possible. The Government should also provide for the required statutory powers when the Indian Merchant Shipping Act is revised.

### **General**

## **Inception Of An Office Similar To The Statistics And Special Studies Office In The U.S.A.**

Both the Government and the Directorate-General of Shipping should carefully examine whether Statistics and Special Studies Office similar to that in the U.S.A. would not be useful in the study of the problems connected with our Maritime Industries.

## **New Staff At The Ports For Additional Statistics**

The collection of the statistics, which the ports have been recommended to maintain, is in the interest

of the ports themselves and as such the Port Authorities and the respective State Governments should provide for the necessary staff. Whatever the additional expenditure might be, it should be incurred.

## **Setting Up And Manning Of The Statistical Branch In The Directorate-General Of Shipping**

The Statistical Branch to be set up in the Directorate-General of Shipping for collecting, compiling and publishing all the statistics recommended by the Committee should be manned by an adequate, properly trained and competent staff and should be headed by a competent Senior Statistician.

## **Employment Of System For Mechanization Of Statistics**

Considering the range, volume and variety of the statistical work that the Committee's proposals entail, the mechanized system should be introduced in the statistical branch to be set up in the office of the Directorate-General of Shipping.

## **Statement Showing The Manner Of Collection And Publication Of Statistics On An All-India Basis**

A statement showing the Nature of the Statistics, the names of the Collecting Agency, Furnishing Agency, the manner in which such statistics are to be furnished, the names of Agency for Compilation and Publication, and the manner of publication of such statistics, as recommended by the Committee, has been given in a tabular form at the end of Chapter XIII.

# **COURT OF ENQUIRY ON THE ACCIDENT TO AIR-INDIA DAKOTA VT-AUD ON MAY 9, 1953, NEAR DELHI (PALAM), 1953—REPORT**

## **Delhi, Ministry of Communications, 1953. 44p.**

Court : Shri Sankar Saran.  
Assessors : Shri V. B. Gandhi; Shri D. Chakraverti.  
Secretary : Shri B. S. Gidwani.

### **APPOINTMENT**

The Court of Enquiry on the Accident to Air-India Dakota VT-AUD on May 9, 1953, Near Delhi (Palam) was constituted under the Ministry of Communications' Order of May 12, 1953, in exercise of the powers conferred under Rule 75 of the Indian Aircraft Rules, 1937.

### **TERMS OF REFERENCE**

To make a formal investigation of the accident, which occurred on May 9, 1953, near Delhi to a Dakota

aircraft of Air-India Ltd., VT-AUD, while engaged in a scheduled flight from Delhi to Bombay, resulting in the death of all the crew and the passengers on board.

### **CONTENTS**

Introductory; Circumstances of the Accident (Location of Accident; Date and Time Notification issued; Date and Time site of accident first visited; Action taken after crash); Particulars of the Aircraft (Aircraft, Engines, Propellers); Crew (Captain Bhalchandra Yeshwant Mohone; Co-pilot Vishwa Mitter Bali; Supernumerary Pilot R. N. Postvala; Radio Officer W. J. Wadke; Air-hostess Miss G. Lee); Passengers; Maintenance, Inspection and Loading of the Aircraft (Maintenance and Inspection; Loading of the Aircraft);



Briefing of Crew (General; Meteorological; Communication and Navigation Briefing; Air Traffic Control Briefing); The Weather; Site of the Wreckage and Topography of the Surrounding Area; Special Flying Tests; Observations at Site and Description and Distribution of the Wreckage; The Main Wreckage; Flight Control System Wreckage; Discussion of Various Factors as Possible Causes (Operational Safety of Dakota Aircraft; Structural Failure; Engine Failure; Damage During Storm; Caged Artificial Horizon; Cockpit Light Failure; Auto-Pilot in "on" position; Faulty Loading; Fire; Lightning; Hitting an Object in the Air; Shortage of Fuel; Drunkenness of the Members of the Crew; Sabotage; Locked Ailerons; Crew Fatigue; Sensory Illusion; Pilot's Error of Judgment); Findings; Conclusion; Recommendations.

### RECOMMENDATIONS

With a view to the preservation of life and the avoidance of accidents in future, the Court makes the following recommendations:

The existing rule that unlicensed personnel should not fly the aircraft should be strictly enforced and anyone acting in contravention or in abetment thereof should be severely dealt with.

Although we are satisfied in this case that the crew took no alcoholic drink, we recommend that a provision should be made in the Indian Aircraft Rules that none of the operating crew of an aircraft should have any alcoholic or intoxicating drink, sedative, narcotic or stimulant drug or preparation within 12 hours of the commencement of the flight or during the flight.

The existing regulations that the Captain of the aircraft (or the Flight Despatcher where a company employs such an officer) should personally obtain briefing should be strictly enforced.

The briefing should be given to the members of the crew personally by the officers competent to do so.

A senior officer of the operator should be present at the time of departure of a scheduled service from a terminal station to ensure that both the engineering and operational staff of the operator carry out their respective duties in accordance with the regulations and procedures laid down.

The Proficiency or Instrument and Route Checks of Pilots should be carried out frequently by Government Check Pilots. The number of Government Check Pilots should be increased to enable them to cope with the thorough and frequent checks of Pilots.

Co-pilots should receive an Instrument or Proficiency Check once a year. The new Captains, that is, those with less than one year's service as Commanders, should be given a Proficiency or Instrument Check at frequent intervals, roughly every quarter. In the case

of Captains with over one year's service as Pilots-in-Command, their Proficiency and Instrument Checks may be less frequent, say, once in every six months. The procedure of checking to be followed for these checks can be laid down by the Civil Aviation administration.

The Check Pilots appointed by the Government should be qualified, experienced and competent to fly the type of aircraft on which the check is to be carried out. They should themselves be subjected to checks at least once a year by independent and competent Check Pilots.

It should be ensured that proper use is made by the Pilots of the Cockpit Check Lists. A pilot should not be permitted to rely on his memory in preference to the Cockpit Check Lists. These Lists should be as detailed and thorough as possible and should include all critical items and emergency procedures. Disciplinary action should be taken against Pilots not making proper use of Cockpit Check Lists.

Adequate link training equipment and sufficient number of instructors should be made available in India for airline pilot training. The cost of training during the course of an actual flight has at times proved to be a deterring factor and considering the reduced cost in link training, their provision will encourage airlines to devote greater attention to increasing of Pilot Proficiency.

Uniform standards and procedures of training should be maintained throughout the country in respect of civil aviation personnel. Therefore, the Directorate of Training of the Civil Aviation Department should be strengthened along the latest trends that obtain in other parts of the world.

Standards and recommended practices of the International Civil Aviation Organization relating to Personnel Licensing, as laid down in Annex. I to the Convention on International Civil Aviation, should be implemented by India.

Every opportunity should be utilized to send officers abroad for training and familiarization of the techniques, procedures and standards which prevail in other countries. Opportunities for training in the International Civil Aviation Organization and such other organizations should also be explored.

The Accident Investigation Branch of the Civil Aviation Department should be strengthened to enable them to initiate a thorough study and detailed analysis of the causes of accidents which occur in India and other parts of the world.

A provision should be made to ensure that the Certificate of Safety for Flight issued by an Aircraft Maintenance Engineer of the operators should be handed over to the Pilot personally by the former.

# JUTE ENQUIRY COMMISSION, 1953—REPORT

New Delhi, Ministry of Commerce and Industry, 1954. 274, viiip. 3 parts.

Chairman : Shri K. R. P. Aiyangar.  
Members : Dr. B. V. Narayanaswamy Naidu; Shri  
P. S. Gupta; Shri D. Sandilya.  
Secretary : Shri T. S. Seshukutty.

## APPOINTMENT

The Jute Enquiry Commission was constituted under the Ministry of Commerce and Industry vide their Notification No. 2 (4)-Jute '53 dated August 8, 1953.

## TERMS OF REFERENCE

(i) To examine and inquire into the operations of the tiers in the jute industry and trade from the grower of raw jute to the seller of jute goods;

(ii) To examine and inquire into the factors which determine the return to the grower of raw jute for his product and the part played in it by the cost and the adequacy or otherwise of transport, the lack of contact between the grower of raw jute and its consumer, the absence of market information to the growers of raw jute and all matters relating thereto;

(iii) To examine and inquire into the nature and content of speculations both in raw jute trade and the jute goods trade, the extent to which market prices are affected by the operation of millowners, jute dealers and the speculative operators in the market and to consider in relation to the circumstances which rendered the closing of the Fatka market in Calcutta in December, 1952, the malpractices indulged in by the various units that operated in the Fatka market resulting in undue depression of prices of raw jute as well as jute goods;

(iv) And after such examination, inquiry and consideration, to make recommendations to the Central Government on the measures necessary:

(a) To secure for the grower as well as the industry a fair price for raw jute and jute goods;

(b) To put down the malpractices indulged in by certain sectors of the jute industry in order to rig up or depress prices for their own ends; and

(c) To ensure that the jute export trade is not affected by frequent manipulation of the market by interested persons.

The Ministry of Commerce and Industry further desired that the working time agreement of the mills be gone into by the Commission. They also sought the Commission's views on the Assam Government's proposal for the starting of a jute mill in the State.

## CONTENTS

Part I: Introductory; Jute—A Historical Retrospect; Supply of Raw Jute—Area and Production; Cultivator's Costs; Marketing of Jute—General; Marketing of Jute—Transport; Marketing of Jute—Indebtedness—Other Handicaps; Marketing of Jute—Classification and Grading; Marketing of Jute—Regulated Markets Co-operatives; Raw Jute—Ancillary Recommendations; The Problem of Prices; Part II: Organization and Growth of the Industry; Jute Baling Industry; Mill Purchases; Mill Production and Factors Influencing It; The Export Markets; Costing and Prices of Jute Goods; Basis for Fair Prices of Jute Goods; Interaction of Raw Jute and Jute Goods Prices; Working Time Agreement of Mills; Part III: Marketing—Miscellaneous; Jute Statistics; Speculation in Jute Markets; Future Markets; The Need for a Futures Market; Future of Jute Industry; Summary of Conclusions and Recommendations; List of Annexures: Annexure I to XXVI; Appendix I to XIV.

## RECOMMENDATIONS

In the long-term interests of jute-growing in India and of the jute industry, the import of jute from Pakistan should be restricted to grades which are not yet available in the required quantity in India.

Railway authorities should examine freight rates and consider the possibility of reduction in rates in view of the export importance of the industry and the incidence to the grower. River transport companies should also evolve a more equitable freight.

The specification of the Indian Standards Institution regarding grades of raw jute should be adopted and applied by the trade and industry.

We recommend the establishment of regulated markets at important centres in the jute-growing areas of each State. Warehouses should also be set up at such markets.

For bettering the conditions of the cultivator the organization of multi-purpose co-operatives is essential and State Governments should give all possible help for this purpose. The scheme should be tried out as an experimental one at important centres.

As jute is the raw material of an important industry, we consider State Governments should not levy Sales Tax or similar taxes on raw jute.

The demand for the establishment of more research-

demonstration farms should be given sympathetic consideration.

Use of manures and improved seed should be encouraged with a view to obtaining the Planning Commission's target yield (54 lakh bales) from the minimum acreage.

To assist and stabilize the industry the appointment of a Jute Commissioner, the establishment of a Jute Board and setting up of a Development Council for the industry are recommended.

Indication of fair prices for raw jute in relation to jute goods prices should be an important function of the Board. Notification of such parity of prices is of particular significance to the grower before the sowing season. The prescription of such a price would improve the morale of the grower and support him in his unequal struggle with the middle-men in the trade.

In its struggle for building up and retaining its market in the future, the jute industry must continue vigorous market research and make a more positive endeavour to diversify its pattern of production.

As far as raw jute is concerned, a Fair Price can be determined with reference only to the terminal market, Calcutta.

The Jute Board should examine the appropriateness of the present contract forms in use for markets overseas and make suitable changes in the forms used in India.

The normal arbitration practice should be followed and an award should be precise and complete and not leave the door open for any option to be exercised by either party later. The Indian Chamber of Commerce should also be included in the arbitration panel.

The Pucca Delivery Order has so far been regarded as a document of title to goods on the basis of which discounting facilities have been given freely by banks.

A system of verifying goods against uneashed P.O.S.s is desirable.

We recommend the establishment of a futures market for jute and jute goods. A single well-knit and regulated organization like the East India Cotton Association, Bombay, should be set up.

We recommend that problems connected with modernization of plant and industry in the jute mill industry should receive the highest consideration of the Government.

## RAILWAY CORRUPTION ENQUIRY COMMITTEE, 1953—REPORT

New Delhi, Ministry of Railways. 1955. 180, ivp.

Chairman : Shri Hriday Nath Kunzru (resigned, replaced by Acharya J. B. Kripalani).

Members : Shri Sahnawaz Khan; Dr. W. S. Barlingay; Shri K. S. Hedge; Shri K. L. More; Dr. A. Krishnaswami; Shri K. Raghuramiah; Shri P. S. Rajagopal Naidu; Shri Ramsubhag Singh; Shri S. C. Samanta; Shri Sarangadhar Das; Shri M. D. Upadhyay.

Secretary : Shri H. N. Trivedi.

### APPOINTMENT

The Railway Corruption Enquiry Committee was constituted under the Ministry of Railways vide their Press Communique dated September 9, 1953.

### TERMS OF REFERENCE

To enquire into and report on:

(i) Extent of corruption prevalent among various categories of Railway employees in their dealings with the public.

(ii) Methods adopted by the staff concerned.

(iii) The causes of corruption.

(iv) Responsibility of the using public.

(v) Defects, if any, in the Rules and Regulations which leave loopholes for corruption.

(vi) Remedial measures, both administrative and legal, to eradicate this evil in all its aspects.

### CONTENTS

Introductory; Problem of Corruption in its Setting (Approach to the Problem); Booking of Goods and Parcels Traffic (Modes of Corruption; The Amount of Gratification and Categories of Staff Involved; Causes of Corruption; Responsibility of the Using Public; Defects in Rules and Regulations which leave loopholes for corruption); Booking of Passengers and Luggage; Catering and Vending (Policy followed; Subletting; Departmental Catering); Engineering; Compensation Claims on Indian Railways (Causes of high incidence of claims and remedial measures; Crime on Railways; Settlement of Claims; Assessment of Damage to Goods;

Responsibility of the Railways as Carriers; Linking up the Freight Structure with Transit Time); Public Complaints and General Efficiency (Analysis of the Complaints received and dealt with by the Railways; Complaints Organizations on Railways; General Efficiency); Internal Working of the Railways (Modes of corruption among staff *inter se*); Working of the Special Police Establishment (Genesis and Work; Comparative data of the work done; Difficulties experienced by the Special Police Establishment); Working of the Anti-Corruption Organization on the Railways; Administrative Measures (Preventive Measures; Punitive Measures); Legal Measures; Miscellaneous Matters (Pilferage of coal; Thefts of Railway Property excluding coal; Cinder and Ash Contracts; Licensed Porters; Railway Grainshops; Railway Service Commissions Light Railways; Stores Departments on Railways); Conclusion; Summary of Recommendations; Appendix I to XIII.

## RECOMMENDATIONS

A concentrated drive should be made and sustained for a long period for removal of corruption.

When there is suspicion about an officer's integrity, his actions, his financial position and the financial position of such of his relatives and close friends as seem to be enjoying a luxurious life should be investigated. He should not in any case be kept in any position of responsibility or influence.

There should be a steady drive for improving wagon position.

Procedure for the booking of goods should be made more uniform on all Railways. A chapter should be added in the Goods Tariff laying down a clear procedure for indent, allotment and supply of wagons.

Information about the quotas in force, the current restrictions and the day-to-day allotment orders should be exhibited on the notice boards and should also be supplied to local Chambers of Commerce or other mercantile associations. Where no such association exists, the higher officials should try to help the merchants to organize it.

Railway Receipts should be issued on the day the consignments are accepted for booking.

There should be advance planning and adequate arrangements for clearance of seasonal perishable traffic.

The bottlenecks at the transshipment points should be eliminated by increasing the transshipment capacity.

Brokers who transact business at stations be licensed by the Railways.

Entry into marshalling yards and goods sheds should be suitably regulated by issue of identity cards or otherwise to eliminate unauthorized entry.

Monthly suburban tickets should have a photo-

graph and signature of the owner of the ticket to facilitate check and avoid misuse.

A reasonable limit should be fixed to the luggage allowed with the passengers in the compartment and the balance should be put in the brake-van.

The members of the National Railway Users' Consultative Council, authorized to conduct surprise checks through the Ticket Checking Staff, should make one surprise check each at least every three months and submit brief reports to the Council for scrutinizing and suggesting further measures.

Ticket-checking on trains must be enforced as a regular measure so that no traveller normally goes unchecked, the minimum checks being (i) at the entraining station; (ii) at the detraining station; and (iii) en route, on long journeys at every junction.

Surprise checks should be kept strictly secret and the plans therefore should be made and supervised at high levels. The out-of-course stoppage of a through train for a concentrated check would be useful.

There should be a certain number of Ticket Checking Staff in plain clothes with proper letters of authority to make surprise checks to catch ticketless passengers.

Booking facilities at stations should be reviewed from time to time and increased where necessary.

All station entrances and exits should be controlled properly and proper fencing provided.

The strength of Ticket Collectors should be increased at rush periods.

The stoppage of passenger trains outside signals should be avoided as far as possible.

Cases of ticketless travelling by responsible officials and students should be reported to the higher authorities who should take prompt and drastic action.

Ticket Checking Staff who, at personal risk, face intimidation and help in checking organized ticketless travel should be rewarded. Police protection should also be afforded to such Ticket Checking Staff where trouble is apprehended.

No leniency should be shown in proved cases of harassment of poor and illiterate villagers by the Railway Staff. Removal from service is the only suitable punishment in such cases.

Higher authorities should pay special attention to cases of molestation by the Railway Staff to lady passengers.

The system of giving refreshment and vending contracts to big contractors should be abolished.

The practice of station staff having free supplies of tea and refreshments from the vending and catering contractors should be put a stop to by proper supervision and by taking disciplinary action against staff guilty of it.

The licence fees from the vending contractors should

be taken in advance and outstanding arrears due from them cleared up without delay.

Refreshments and meals on trains should be provided at popular prices by the Department.

Constant vigilance will be necessary to check corrupt practices in Departmental Catering.

Drastic action should be taken against staff involved in theft of Railway property.

Recruitment of casual labour and temporary staff should be kept to the minimum.

A post of Claims Prevention Officer in the Senior Scale should be created on each Railway.

Complaint Books should be provided at all stations, in the Refreshment Rooms, Dining Cars and important Goods Sheds. Complainants should have easy access to them without asking for them from a Railway employee.

Complaint Books at Stations, in Refreshment Rooms and in Goods Sheds should be scrutinized daily by the Station Master who should send a copy of the complaint to the higher authorities with his remarks within 24 hours.

Complaints should be dealt with at a level not lower than that of a District or Divisional Officer.

Recruitment of Class IV staff should be done only through Recruitment Boards with some officers belonging to Departments other than those for which recruitment is made.

Chairmen of the Railway Service Commissions should not, as far as possible, be retired Government officials.

The question of honesty and integrity of the candidates should be given greater emphasis while considering them for promotion from Class III to Class II.

Removal of Railway material from the Railway workshops for private use by the employees should be viewed seriously. Greater supervision, proper accountal and stock verification will minimize such irregularities.

Complaints regarding misuse of Railway labour by officers and staff should be properly investigated.

Names of Informers and Railway Servants who help the Special Police Establishment in investigation should be kept confidential to avoid possibility of victimization. Complaints of victimization should be promptly looked into by an Officer of not less than Administrative Rank.

Requests from the Special Police Establishment for transfer of accused Railway servants should be promptly agreed to.

In proved cases of bribery and corruption, punishment must be swift and deterrent. Appropriate fines should invariably form part of the punishment.

Anti-Corruption Organizations on Railways should be separated from Security Organizations of Railways

and placed under an officer of Senior Administrative Rank on each Railway, loaned from a Government Department other than the Railway and designated as Chief Investigating Officer. He should be assisted by an Anti-Corruption Officer in senior scale. He should maintain close co-ordination with the Chief Security Officer and the General Manager. He should be responsible for the work of this Organization to the Railway Board directly.

The Anti-Corruption Organization should not depend merely on complaints but should on its own initiate probes into the working of the various Departments and unearth cases involving bribery, corruption and frauds. For this purpose, there should be a Detective Force under this Organization.

Wider publicity should be given to the existence of the Anti-Corruption Organizations on the Railways by suitable notices to be inserted in the public time-tables and Railway Gazettes and by posters. Names and designations of the Railway staff punished in corruption cases should be published in the Railway Gazettes, giving the nature of offence committed and the punishment inflicted.

The Efficiency Bureau of the Railway Board's Office should analyse the quantum of work performed by Gazetted Officers in various Departments and suggest measures for reduction of desk work, increase in supervision work, and also suggest if any increase in the strength of Class I and II staff is necessary.

Rules of Conduct of Railway employees in relation to the public should be made known to the public. They may be given in a summarized form in Railway time-tables.

Exceptional and outstanding work should receive special recognition by grant of honoraria, letters of appreciation and medals, honoraria being confined to non-Gazetted employees only. Successful efforts of an officer to root out corruption should be a qualification for accelerated promotion.

Disparity in the emoluments of the lowest-paid and highest-paid Government employees should be narrowed down.

Suitable publicity should be given to the various facilities available to the employees, particularly those in lower categories. There should be constant propaganda through posters, pamphlets and films both among the public and the Railway staff bringing home the evils of corruption. The public should also be warned, through posters at all the Railway stations and through microphones and loudspeakers at certain selected larger stations, against offering illegal gratification and should be informed that thereby they make themselves liable to criminal prosecution.

Passengers' Associations and Chambers of Commerce should make it a rule that an individual or a

firm found to have indulged in offering illegal gratification will be debarred from membership of these bodies. They should come forward with information and evidence if they have knowledge when a charge of corruption is made against a Railway employee.

Surprise re-weighments of the wagons loaded with coal should be conducted and drastic action taken against staff responsible for over-weighments.

Provision of expanded metal cover, fencing of stack-

ing areas and proper lighting, better watch and ward arrangements and strict supervision would minimize pilferage of coal.

There should be stricter physical verification of stock both at the time of purchase as well as at suitable intervals.

There should be independent spot checks on all transactions of the Stores Department by the Audit.

## COMMITTEE ON FINANCE FOR THE PRIVATE SECTOR, 1953—REPORT

Bombay, Reserve Bank of India, 1954. 162p.

**Chairman :** Shri A. D. Shroff.

**Members :** Shri J. V. Joshi; Shri S. Anantharama-krishnan; Shri C. W. Middleton; Shri B. T. Thakur; Shri V. R. Sonalker; Shri B. K. Dutt.

**Joint**

**Secretaries :** Shri M. S. Nadkarni; Dr. K. S. Krishna-swamy.

### APPOINTMENT

The Committee on Finance for the Private Sector was constituted under the Reserve Bank of India vide their Press Communique dated October 5, 1953.

### TERMS OF REFERENCE

(i) To examine why investment in the private sector has not reached the level envisaged in the First Five Year Plan and in this connection to consider the factors, other than taxation, which influence investment in this sector;

(ii) To examine how increased finance could be made available to the private sector through sources other than those which are under the consideration of the Taxation Enquiry Commission; and

(iii) In particular, to examine the possibility of providing on a larger scale bank finance for development in the private sector.

### CONTENTS

Introductory; Role of the Private Sector in the Five Year Plan; Factors Inhibiting Investment in the Private Sector; Existing Agencies for Industrial Finance in India; Credit Expansion and Development; Commercial Banks and Industrial Finance; Indigenou

Bankers and Money-lenders; Long-term Financial Requirements of Industries; Small-Scale Industries; Special Institutions for Providing Finance to Industries; Summary of Recommendations; Appendices.

### RECOMMENDATIONS

The Committee feels that in the past few years several changes have occurred in the socio-economic climate of this country which tend to discourage and discredit private enterprise. The Committee is of the opinion that unless these inhibiting factors are remedied, mere multiplication or strengthening of agencies supplying finance will not add much to industrial development.

In respect of large investments in scheduled industries which take time to fructify, it should be possible for the Government to give some assurance of immunity from nationalization, at least for a reasonable period.

The Committee considers it essential that the work of the several authorities from which licences or sanctions have to be obtained should be co-ordinated and the procedure for obtaining such licences or sanctions should be simplified and rationalized.

The Committee considers it desirable that the technical organization in Government Ministries should be adequately strengthened so as to provide in course of time the specialized services of these agencies to private parties also in drawing up plans for expansion. The attitude of such Departments should be to assist applicants in completing the necessary technical details.

Early steps should be taken to remove the confusions and uncertainties in regard to labour legislations and Awards and to ensure that a rise in the rewards

of labour does not run ahead of the increase in the productivity of labour.

Organized bodies of business men and industrialists should make all possible effort to enforce proper codes of conduct and to raise the standards of business management and morality.

The Reserve Bank should take up with the Government the question of obtaining promptly and systematizing the data relating to joint stock companies.

Banks should endeavour to increase their investments in the shares and debentures of first-class industrial concerns, to make larger advances to approved parties against such shares and debentures and subscribe to a greater extent to the shares and bonds of specialized institutions like the Industrial Finance Corporation of India and the State Financial Corporations.

The Reserve Bank should treat shares and bonds of the Industrial Finance Corporation of India and State Financial Corporations on a par with Government securities for advances under Section 17(4)(a) of the Reserve Bank of India Act, on such terms regarding margin, etc., as the Reserve Bank may deem appropriate. In order to ensure the marketability of these shares, the statutory restrictions on the holdings of such shares should be removed.

In view of the steep rise in the operating costs of banks in recent years as a result of the Awards given by various Industrial Tribunals, the Committee recommends that the Government of India should immediately appoint an Expert Committee to examine, among other things, ways and means of rationalizing the wage and salary structure in the banking sector and to explore possible avenues of reducing the burden of operating costs to banks.

Having regard to the peculiar difficulties of the smaller banks, the Committee suggests for the consideration of the Reserve Bank of India whether any of the directives or criteria laid down by the Bank could be suitably relaxed, without prejudice to sound banking principles, in view of the special characteristics of the smaller banks such as their deposit structure, and other local conditions.

Facilities under the Bill Market Scheme should be made available to all scheduled banks with deposits of Rs. 1 crore or over. Further, the individual minimum amount for bills should be reduced from Rs. 1 lakh to Rs. 50,000 and for parcels of bills from Rs. 25 lakhs to Rs. 10 lakhs.

The Committee recommends that the Reserve Bank of India should, in consultation with the Government of India, work out a detailed scheme of financial assistance to licensed scheduled banks opening branches in accordance with an expansion programme submitted by the banks and approved by the Reserve Bank. The assistance may for instance take the form of a lump-

sum to cover part of the initial expenses of the branch and a commission in respect of deposits collected over a prescribed minimum. The Reserve Bank may also consider the desirability of not allowing more than one banking office to be opened in an undeveloped area for a limited period, say, up to five years.

Mobile banks have useful potentialities in developing the banking habit and should therefore be encouraged and supported.

An All-India Association of Banks should be brought into being at the earliest possible moment for protecting the interests of bankers and reaching agreements on matters of common interest.

The question of linking indigenous Bankers and Shroffs directly with the Reserve Bank should be actively pursued by the Bank in consultation with the Shroffs.

The Government should examine, in consultation with insurance interests, the various anomalies in the Insurance Act, with a view to removing them.

The Industrial Finance Corporation of India and the State Financial Corporations should give banks an opportunity to participate in the loans sanctioned by them. The Corporations should also examine the question of guaranteeing long-term loans advanced by Scheduled Banks or Insurance Companies.

The limit of Rs. 1 crore prescribed in Section 24 of the Industrial Finance Corporation Act for advances to any single concern should be relaxed in the case of key industries.

The Central and State Governments should explore the possibility of opening Letters of Credit in favour of suppliers stipulating for payments on the presentation of Inspection Notes by a duly authorized officer of the Indenting Department.

The Government of India should take steps to amend the State Financial Corporations Act, 1951, in a manner that will permit joint working of a financial corporation by two or more adjoining States.

In order to augment the finance available to small industries, a Special Development Corporation for small industries should be constituted immediately.

The proposed Special Development Corporation for small industries should, through a separate and specialized department, take a lead in organizing the small industries and rendering assistance in the matter of co-operative or joint purchase of raw materials, standardization of products, organized marketing, distribution and publicity.

A Central organization for the provision of technical and managerial assistance to industries should be set up jointly by the Government, special financial institutions like the Industrial Finance Corporation of India, the privately-owned Industrial Development and Finance Corporation, etc., and private industries.

# MODEL PUBLIC HEALTH ACT COMMITTEE, 1953—REPORT

New Delhi, Ministry of Health, 1955. 203, 29p.

Chairman : Dr. B. C. Das Gupta.

Members : Dr. K. S. Viswanathan; Dr. W. Mathur;  
Shri P. C. Bose.

Secretary : Dr. K. C. Patnaik.

## APPOINTMENT

The Model Public Health Act Committee was constituted under the Ministry of Health vide letter No. F-1411/53-PH II dated October 6, 1953.

## TERMS OF REFERENCE

(i) To draw up a model comprehensive Public Health Act, which the various States in India may enact with such modifications as may be necessary to suit local conditions. Such an Act will aim at serving the following purposes:

(a) To bring together existing legal provisions relating to health, which are scattered over various enactments;

(b) To modify those sections of the law which require change in the light of recent advances in knowledge with a view to promoting efficient administration;

(c) To incorporate the new provisions which will be necessary for the development of future health programmes of the States; and

(d) To embrace, on the basis of the recommendations of the Environmental Hygiene Committee, all phases of Environmental Hygiene, such as Housing, Provision and Maintenance of Safe Water Supply, General Sanitation, including Conservancy and Drainage, Prevention of River and Beach Pollution, Control of Insect Vectors of Diseases, Regulation of Certain Trades, Industries and Occupations dangerous to health and offensive to community; and

(ii) To recommend, after surveying the existing position, suitable bye-laws for the fixation of standards of pipe-water supply, sewage systems, sullage drains, sanitary latrines, public cleaning, refuse collection and sewage disposal, septic tanks, pollution of streams and beaches, slaughter-houses, healthful housing, town and village planning, industrial environments and disposal of trade wastes and various other items connected with environmental sanitation.

## CONTENTS

Part I: Administration—Boards, Councils and Committees; Organization of the State Health Services; State Health Services; State Public Health Engineering Services; Model Relief and Public

Health Services of the Local Authorities; Health Officers and Health Engineers of Local Authorities. Part II: Medical Relief and Public Health Measures—Hospitals, Dispensaries and Clinics; Prevention and Control of Infectious Diseases; Vaccination; School Health Services; Maternity and Child Welfare Services; Control and Prevention of Leprosy; Control and Prevention of Tuberculosis; Venereal Diseases and Prostitution; Aftercare Homes and Houses for Invalids; Nursing Homes; Ophthalmic Services; Treatment of Rabies; Blood Bank; Mental Health Services; Social Welfare Services; Vagrants; Nutrition; Laboratory Services; Ambulance Services. Part III: Sanitation—Water Supply; Collection and Disposal of Community Wastes; Town and Village Planning; Housing; Improvement of Slum and Bustee Areas; Improvement Trust; Control of Malaria and other mosquito-borne diseases; Places of Pilgrimage; Health Resorts; Holiday Camps; Park, Playground and Open Spaces; Miscellaneous Institutions; Fairs and Festivals; Burial and Burning Ground; Lodging Houses; Eating Houses; Markets; Control of Foodstuffs; Milk Supply; Drug Control; Cosmetics; Slaughter-Houses; Factories; Offensive Trades; Registration of Births and Deaths; Nuisances; Disinfection; Plumbers. Part IV: General Provisions—Financial Provisions; Miscellaneous; Penalties; Definitions; Schedules I to IV; Appendices I to XIII.

## RECOMMENDATIONS

The recommendations of the Committee defining the standards and other particulars in connection with various items of environmental sanitation, which might be found suitable for incorporation in the rules or bye-laws to be framed by the State Governments or the Local Authorities, as the case may be, under the Model Public Health Act, are given in the Appendix.

### Town And Village Planning

#### Basic Requirements Of Site Selection

Regard may be had to the following conditions for healthful development and maintenance in the selection of a site:

(a) Sub-soil condition should afford suitable bearing capacity for economical construction of buildings of the types contemplated. Bearing capacity will be adversely affected if the site contains muck, peat, poorly compacted fill, shifting sand or quicksand.

(b) Essential factors in site selection include a water table low enough to protect against flooding and



interference with sewerage, the absence of swamps or marshes and sufficient slope to permit surface drainage of normal rainfall and free flow of sanitary sewers. Periodic flooding due to high ground water table should disqualify a site unless preventive measures can be applied. High ground water may cause dampness beneath the buildings. Flooding due to ground water may occur not only through conditions on the site itself, but also from present or future drainage onto the site from adjacent areas.

(c) The development area should be free from danger of surface flooding by streams, lakes or tidal waters.

(d) Land should not be too steep for satisfactory grading in relation to dwelling construction.

(e) The development area should be free from topographic conditions which might be a serious cause of accidents. Hazards of this type include landslides, earth settlement above disused mine workings and earthquake slippage along known geological fault lines.

#### Availability Of Sanitary And Protective Services

(a) A healthful town or village can only be developed on a site with water supply that is adequate and certain as to amount, that will not be a means of conveying disease and that is reasonably free from chemical and physical impurities. Equally important is the collection and ultimate disposal of human excreta without sanitary hazard.

(b) It is of utmost importance that before a site is selected, the water and sewerage systems must be visualized as long-term sanitary services. Preference should be given to a site having access to a public system. Where a public water supply is unavailable, it is necessary to be certain that a local supply can be developed at a reasonable cost.

(c) Removal of wastes from the site by a public sewerage system that is properly designed and operated affords the greatest safety, if every residence can be connected to a public sewerage system of sufficient capacity. In the absence of a public sewerage system, an on-site community system is generally safer than septic tanks or other individual installations, provided adequate maintenance is assured.

(d) It is essential that a projected site shall have facilities for the effective removal of domestic wastes—notably garbage—or that ultimate disposal on the site can be provided without sanitary hazard.

#### Freedom From Local Hazards And Nuisances

(a) The site should be entirely free from grave hazards to life or health, and as free as possible from minor hazards and nuisances.

(b) Residents of the site should not be unduly exposed to sources of animal or insect carriers of disease

on or adjoining the site, or to polluted water courses, lakes or ponds. If control or elimination of the sources is not practicable, housing areas should be located outside the range of any substantial breeding places for rodents and insects and of any sizable deposits of refuse which might contribute to the spread of fly-borne or rodent-borne disease.

#### Water Supply

(a) An adequate supply of safe and potable water, delivered under pressure within the dwellings, is a *sine qua non* of healthful housing.

(b) Where connections to a public supply is not possible, provision must be made for the development of an on-site community supply or for the installation of individual wells.

(c) Whatever the system used, the location, construction operation of the water supply must meet requirements of Public Health authorities having jurisdiction. The Chief Public Health Engineer should be consulted whenever a public supply is not available.

#### Sewage Disposal

(a) It is essential to plan for the collection of sewage from all dwellings and non-residential structures on the site and for its disposal by one of the following means:

(i) Discharge to an existing public sewerage system;

(ii) Treatment in a community disposal plant;

(iii) Treatment in individual septic tanks with disposal by absorption field or percolation;

(b) Where a public sewerage system is not available, the location and design of on-site community disposal plants and the installation of individual septic tanks or soakage pits should meet the requirements of the Public Health Department of the State Government.

#### Density And Floor-Space Index

(a) Gross density should be not more than 10 houses to the acre—the maximum allowable should be 20 to the acre. In one or two-storey development in ordinary suburban housing, the floor-space index should be kept below 0.5. Vertical development is optional where land is scarce as in the present congested towns. In places where vertical development is planned, the floor-space index should be limited to 1.5. Where the floor-space index exceeds 1.25, buildings should be planned in open plan forms, staggered so as to offer the least obstruction to light and air.

(b) In new satellite towns and suburban planning, the gross density of population should be about 60 per acre but not more than 120 per acre. To reduce congestion in existing towns, the aim should be to reduce the density to at least 250 per acre.

## Roads Classified With Regard To Traffic

In town planning, the roads should be designed to ensure swift movement of traffic consistent with safety. In the places where fast and slow traffic are both likely to use the road, the width should be sufficient for segregation of traffic in lanes. The surface should be suitable for the kind of traffic using it. Through roads should avoid passing through residential areas. They should afford a clear vision avoiding sharp curves and obstructions. Level crossing should be replaced by separation of grades if the volume of traffic is heavy. The width of roads should be fixed in relation to their function and traffic load.

## Civic Amenities

In every town and village planning scheme there should be provision for shopping centres, educational institutions, clubs, parks and playgrounds, health centres, hospital, post office and other public offices, places of worship and places for disposal of the dead.

## Zoning Of Residential And Industrial Areas

The planning should provide for zoning to segregate industrial areas, big transport centres and godowns, dangerous and offensive trades, and dairies from residential areas and business areas. There should be a thinning out of the population from the centre to the fringes and, if possible, a green belt all round. The planning of the residential areas should ensure a fair mix-up of all social groups and avoid too much segregation.

## Population Limits

In planning of new towns, the population should be limited to 100,000.

## Planning In Villages

- (a) Population to be limited to 5,000.
- (b) Gross density should be restricted to 10 houses per acre.
- (c) Water supply in the form of wells or tubewells should be provided at one source for every 250 persons.
- (d) Houses should be served by proper streets; they should be detached or semi-detached and should have definite space for cowshed and manure pits.
- (e) There should be open space for public resort and public utility halls.

Planning of towns and villages to be integrated with the Master Plan of the region.

## Healthful Housing

The following points may be given due consideration in the manner of construction of healthful housing accommodation:

(1) The site should have an independent access to a street of adequate width and should be in pleasing surroundings free from hazards of flooding, landslides, fly breeding, mosquito breeding nuisances, dust, smoke, smells and excessive noise. The soil should be dry and safe for founding the structure.

(2) The set-back of the house from the road and the surrounding houses should be such as to make lighting and ventilation through windows effective without obstruction of light and air. The proportion of built-up area to site may not exceed 1:3 in the smaller municipalities and fringes of big cities where the density thins out, but may be 2:3 in the areas of high land values.

(3) A house designed for family life should have independent access with sufficient privacy.

(4) Floor should be impervious. Height of plinth 2' x 6" from centre of public road with adequate damp-proof course.

(5) The walls should have low heat capacity. They should be smooth, easy to keep clean, weather resistant, unsuitable for harbourage of rats or vermin, not easily damaged and reasonably strong against impact.

(6) The roof of the house should be heat-resistant and the height of the rooms should be such as to give an air space of at least 500 cubic feet per capita, preferably 1,000 cubic feet.

(7) The floor area of a living room should be at least 120 square feet for occupancy by more than one person and at least 100 square feet for occupancy by a single person. The floor area available in living rooms per person should be not less than 50 square feet; 100 square feet is recommended as the optimum.

(8) A domestic house should be provided with at least two rooms and one of them should open directly or through an unobstructed verandah on to open space. The windows should be placed at a height not exceeding three feet above ground.

(9) For living rooms, total window openings to be at least 1/15th the floor space and window and door openings combined not to be less than 1/7th floor space.

(10) The house is to have a kitchen of minimum size 8' x 6', adequately lighted by windows (1/5th of floor area) and to have arrangements for storing food, fuel and provisions.

(11) The house is to have an independent source of safe and adequate water supply.

(12) Every house to have a latrine of minimum size 3'0" x 2'6" non-service sanitary type, with floor and seat made of impervious material, and readily accessible.

(13) An enclosed courtyard, open space or terrace of sufficient area should be provided in each house.

(14) In the rural areas, the "approved" standards

may be lower than in towns. The minimum should be a two-roomed house on a dry site with separate access, giving sufficient security. It should be provided with a separate kitchen, a platform for washing utensils, a properly sloped "pucca" drain, and a sanitary latrine; effective windows equal in area to at least 10% of the floor space; a well, tubewell or tap for water supply within the house and in any case within a quarter of a mile from the house; open space in front, within or behind not less than twice the built-up area; separate and adequate accommodation for the animals and implements associated with rural occupations; a manure pit, and arrangements for safe disposal of waste water.

### Piped Water Supply

#### Sources Of Intake And Treatment

- |  |   |
|--|---|
| (a) Upland water   | } impounding—coagulation—<br>sedimentation—filtration—<br>chlorination—to supply<br>mains.                                    |
| (b) Rain water over a catchment area.  |   |
| (c) River or stream water  | —intake at suitable place and depth—preliminary settlement—coagulation—sedimentation—filtration—chlorination—to supply mains. |
| (d) Lake water   | —intake at suitable place and depth—coagulation—sedimentation—filtration—chlorination—to supply mains.                        |
| (e) Spring water   | —impounding—chlorination—to supply mains.   |
| (f) Underground water below impervious strata (drawn by mechanical pumps from tubewells of diam. 4" or more) | —softening, if necessary—chlorination—to supply mains.  |

#### Filtration

- (a) Slow sand filter, at the rate of 4" per square foot per hour
- or
- (b) Rapid filter, at the rate of 3" to 4" per square foot per minute
- or
- (c) A combination of (a) and (b) as may be advised by the Chief Public Health Engineer of the State.

#### Chlorination

Chlorination should be done by any of the approved methods or appliances to ensure a residual chlorine at

the rate of 0.2 ppm for the water to be supplied irrespective of its source of intake.

#### Supply Mains

- (a) Terminal mains shall have internal diameters not less than 3
- (b) Where in any street both water and sewer mains are laid, the water mains shall be at least 3' vertically above and at a distance of 6' from the sewer.

**Terminal Pressure:** Recommended 35', must not be less than 25'.

**Quantity:** To be supplied per capita per diem, will vary with the population and the requirements for various purposes, and taking into consideration possible wastage from leaks, defective fittings and careless handling to the extent of nearly 10% of the total supply.

#### Quality

(a) General: Water for drinking and other domestic purposes shall be clear, odourless, palatable, of neutral taste, of reasonable temperature, neither corrosive nor scale-forming.

(b) Physical Standards: (i) turbidity—not exceeding 10 ppm on silica scale;

(ii) colour—not exceeding 20 ppm on cobalt scale;

(iii) total solids—500 ppm for good water; maximum permissible 1000 ppm.

(c) Chemical Standards: (i) Total Hardness—150 to 200 ppm as Calcium Carbonate is the maximum permissible hardness where the source is other than spring or underground. This may, however, be relaxed up to 250 to 300 ppm under exceptional circumstances.

(ii) Alkalinity: (a) for treated waters Phenolphthalein alkalinity as Calcium Carbonate not to exceed 15 ppm plus  $0.4 \times$  total alkalinity at pH 10.6 and 25°C;

(b) normal Carbonate alkalinity no. to exceed 120 ppm;

(c) total alkalinity shall not exceed hardness by 35 ppm.

(iii) Chemical Standards: (a) Rigid limits—

Lead...less than 0.1 ppm.

Arsenic...less than 0.05 ppm.

Selenium... „ „ 0.05 ppm.

Fluoride ... { not less than 1.00 ppm.

{ not more than 1.30 ppm.

(b) Limits not so rigid—(limited variation admissible after investigation of local conditions):

Copper ... less than 3 ppm.

Iron & Manganese together less than 0.4 ppm.

Magnesium	...	125 ppm.
Zinc	...	15 ppm.
Chloride	...	500 ppm.
Sulphate	...	250 ppm.
Phenolic Compounds	...	0.001 ppm. in terms of phenol.

#### Bacteriological Standards

- Excellent...no coliform bacilli in 100 c.c.
- Satisfactory...1 to 2 coliform bacilli in 100 c.c.
- Suspicious...3 to 10 coliform in 100 c.c.
- Unsatisfactory or bad...over 10 coliform in 100 c.c.

If in (c) all coliform bacilli are aerogenons and no faecal coli—recommend chlorination.

If 1 to 2 coli type—insist on chlorination.

Hours of Supply: Preferably continuous, but in no case less than eight hours per day.

#### Dispersed Sources Of Water Supply

Sources: Generally from tubewells, masonry wells, reinforced concrete ring wells or reserved surface tanks.

##### (1) Tubewells

- internal diameter of pipes—1½" to 2";
- depth—below at least one impervious stratum;
- strainers—2 x 6' each of same diameter as the pipes;
- pumps—suitable type to draw 300 to 500 gallons per hour according to size of pipes and strainers;
- platform and overflow drain—usually 4'x4' to 6'x6' with drain along the sides of the platform to lead to soakpit or suitable point of discharge.

##### (ii) Masonry Or C.C. Wells

- recommended internal diameter—4';
- depth—according to geological condition;
- platform and overflow drain—width 3'x4' sloped outward. The parapet should be sharply sloped on top and not flat;

(d) fittings—the well should be covered and fitted with pump and pipes or provided with a water lifting device or a common rope-and-bucket arrangement over pulley.

#### Drainage And Sewerage

##### A. Sewers

(1) To be introduced in areas where adequate water supply is available for the purpose—minimum 5 gallons per capita per diem (exclusive of water required for other purposes).

(2) Minimum diameter of a public sewer to be 6". Minimum diameter of a domestic sewer should be 4".

(3) Velocity of sewage flow to be between 2.5 and 3 ft. per second.

(4) Sewers to be well ventilated—ventilation pipe at the summit and fresh air entry at the lowest point to be provided.

(5) Industrial waste not to be allowed into town sewer without treatment as may be prescribed by the Chief Public Health Engineer.

(6) Flushing chambers to be provided at top end of the sewers.

(7) Manholes to be located at every junction and at intervals of 200 ft. (maximum) on straight lengths. Every manhole to have easy access and working space inside for maintenance and provided with sturdy watertight cover.

#### B. Sewage Disposal

(1) Before sewage is discharged into the river, stream or channel or on land, the same to be treated by one or combination of the methods as under and according to the directions of the Chief Public Health Engineer:

(a) Screening and land irrigation after dilution—provided no food crops which are eaten raw are grown in the fields;

(b) screening, primary settlement and discharge after chlorination;

(c) screening, primary settlement followed by biological treatment and chlorination;

(d) screening, primary settlement followed by biological treatment and chlorination with sludge digestion in lagoons, tanks with or without provision for gas collection.

The treatment plant to work continuously throughout day and night and septicity of sewage is to be prevented.

#### Standards Of Treatment

(a) Land irrigation—Raw sewage after sedimentation:

(i) on grassy soil—25,000 g a d

(ii) on sandy soil—50,000 g a d

(b) Intermittent sand filters:

(i) Raw sewage—80,000 g a d

(ii) Settled sewage—120,000 g a d.

(c) Contact beds:

Range—125,000—150,000 gals. acre ft/day.

(d) Standard Filter:

(i) Low rate—1—3 m g a d

(ii) High rate—16—30 m g a d

(e) Activated Sludge Process:

Tank capacity—0.35—0.39 cft/gal. of sewage.

N.B.:—ppm—parts per million

g a d—gallons per acre per day

BOD—biochemical oxygen demand

## Standards Of Effluent

(a) When the dilution is over 500 volumes, raw sewage to be discharged after removing floating matters only.

(b) When the dilution range is between 300 and 150, sedimentation is essential and suspended solids in the effluent to be kept at 60 ppm.

(c) When the dilution range is between 500 and 300, sedimentation to be adopted and suspended solids in the effluent may be as high as 150 ppm.

(d) Generally, treated effluent not to contain more than 30 ppm. of suspended solids and not to take up dissolved oxygen more than 20 ppm in a 5-day BOD test at 65°F.

## C. Sullage Drains

(1) Sullage drains to carry only rain water from roofs and yards, wastes from kitchen and bathroom. They are not to be allowed to receive the wastes from latrines and urinals.

(2) The whole system of open drains should be well-planned, with the best available gradients, an outfall and a method of disposal. The authorities concerned should arrange for daily flushing and cleansing of open drains.

(3) A minimum self-cleansing velocity of 2 ft. per second to be maintained.

(4) These drains to be provided with such a capacity that during rains flooding is avoided.

(5) Where the water supply is less than 15 gallons per capita per day, or the flushing is defective, kitchen and bath water shall be led into properly constructed soakage wells.

## Sanitary Latrines, Septic Tanks And Disposal Of Nightsoil

### A. Sanitary Latrines

(1) Every house to have at least one latrine and this is to be non-service type sanitary latrine—either dug well, bore-hole or septic tank.

(2) seat—to be of impervious material: of the type suitable for local habits and of age groups, with water seal of minimum  $\frac{1}{2}$  inch.

### B. Septic Tanks

(1) Septic tanks—for temperate climates, capacity provided to be 2.5 cft/user while for cold climates this to be increased to 3.5 cft./user.

(2) Minimum water depth 4', 6", with an additional air space of 1' to 1½' shall be maintained. But the capacity shall be guided by temperature condition of the place.

(3) Adequate ventilation to be provided for: size of ventilator pipe 3" or more.

(4) Effluent from domestic septic tanks should be used, if possible, in the soil for kitchen gardens, by subsoil percolation or surface irrigation if the subsoil water is not too high and land at the rate of 70 sq. ft. per user is available. If there is not sufficient land, the effluent may be discharged into a sullage drain after chlorination.

(5) Septic tanks should be provided with means of desludging and should be deslugged regularly.

(6) Septic tank latrines with flushing arrangements, and not bore-hole or dug-well latrines, may be used for public latrines in unsewered areas provided sufficient water is available for the purpose.

## C. Disposal Of Nightsoil

(1) Service privy is the least satisfactory type of latrine and should be prohibited. It may be allowed only if no other method of disposal of nightsoil is possible.

(2) For house-to-house collection, pails made of G.I. sheets provided with handles and cover shall be used and carried to pail depots or nightsoil carts, or poured down into a public sewer inside a well-protected enclosure.

(3) Nightsoil Carts—Commercial size 100-gallon capacity—and able to turn 180, for emptying.

### Pail Depots

(i) shall be located in a place away from inhabited locality;

(ii) shall have brick walls all round—minimum height 10 ft;

(iii) must have an impervious floor;

(iv) shall have a hydrant for flushing—minimum size 3" with a minimum discharge of 400 gallons per minute.

## Trenching And Composting

(a) Mechanical transport is preferred.

(b) Trenches—trapezoidal in section with top 2' 6" wide and not more than 3' deep and 40—100 ft long; longitudinal slope 1 in 100. A layer of 6"—9" of nightsoil shall be spread and covered with excavated earth with the top in the form of a mound and left in that state for a minimum period of 6 months before the trench can be used again. Minimum space between the trenches to be at least 3'

(c) The trenching ground shall be selected at a site at least  $\frac{1}{2}$  mile away from human habitation and shall be connected with a good road for mechanized transport.

(d) Washing arrangement at the trenching ground shall be provided.

(e) For composting, a similar trench is recommended; the trench shall be started with a layer of refuse

and finished with the same, the alternate layers being 6" refuse and 2" nightsoil, and finally covered with earth.

(f) In composting, the trench should be allowed to rest for 4 to 5 months and subsequently the compost may be taken out and allowed to cool for one month before it can be pulverized and utilized as manure.

#### Refuse Collection And Disposal

(1) Refuse to be collected from house to house in covered house-service bins and public bin system may, if possible, be eliminated.

(2) These house-service bins shall be made of impervious materials and have a capacity to hold refuse for at least 2 days. They should be placed on impervious platforms.

(3) Number of collections shall be not less than 3 times a week for household purposes in less congested areas, whereas in congested parts, collection to be made at least once a day. In market places minimum service to be given should be twice a day.

(4) Refuse must not be mixed with nightsoil: nightsoil to be collected separately and "dalao" system abolished.

(5) Refuse to be disposed of by either of the following methods as directed by the Chief Public Health Engineer:

- (a) dumping at sea;
- (b) dumping in other waterways (not meant for human use);
- (c) dumping in low-lying areas—controlled dumping;
- (d) ploughing in lands (only for villages);
- (e) dumping in small pits (only for villages);
- (f) incineration;
- (g) composting (for a population below one lakh);
- (h) trenching.

#### Treatment And Disposal Of Industrial Wastes

The wastes from industries shall be treated prior to its discharge into a public sewer, river, stream, channel or inland water collection or on land, by adopting one of the methods or combination of methods such as sedimentation, screening, coagulation, chemical precipitation, septic tank treatment, activated sludge process, biofiltration method followed by chlorination, super-chlorination or any other chemical treatment to prevent pollution of water-sources and of the soil and to avoid obnoxious odour, fly and other nuisances.

#### Wastes From Milk Products Industry

The wastes from processing of milk products consisting of washing, spillage, spoiled products and by-products and almost entirely composed of organic material in solution or colloidal suspension, larger suspended

organic solids, sand and other foreign particles shall be disposed of in the manner indicated below:

(1) By-products and spoiled products shall not be discharged into the drains, sewers, streams or land but shall be utilized for animal feeding and other purposes.

(2) (a) Land irrigation of wastes from plants in sparsely populated areas provided the land is light and sandy and is kept under constant cultivation to prevent pooling and that the production of odour, if any, is controlled by application of chlorine at the rate of 20 parts per million.

(b) Screening with  $\frac{1}{2}$ " inch wire mesh into a grit chamber of such size as to reduce the velocity to about 1 foot per second, the deposits being disposed of by burial. Subsequent treatment of the waste may be carried out by either biological filtration or activated sludge to produce an effluent that can be satisfactorily disposed of in drain, sewer, stream or land. The BOD of the final effluent after treatment should not exceed 50 ppm.

#### Wastes From Vegetable Canning, Freezing And Dehydration Industry

The wastes from vegetable canning, freezing and dehydration industry consisting largely of carbohydrates in suspension and foreign matters from spillage and washing and not containing organic substances inimical to normal biological treatment shall be disposed of in the manner indicated below:

(1) Solid wastes to be handled separately by composting and converting into manure or by burial.

(2) Liquid wastes may be disposed of by :

(a) land irrigation with or without any treatment, provided sufficient land with suitable porosity is available and there is no underground seepage which might contaminate streams, wells or tanks and there is no possibility of surface run off from flooding;

(b) (i) before discharge into a stream, lake of large collection of water or into public sewers, screening through 40 mesh screens is necessary;

(ii) chemical precipitation with lime or with coagulants may be used to bring about 50% reduction in BOD; the sludge may be dried on open beds or let out for field irrigation;

(iii) biological treatment in trickling filters for BOD removal to about 80 to 90%.

Caution : Stack liquor heavily laden with soluble organic matter and having an obnoxious odour of butyric acid and other decomposition products should not be discharged as it is or mixed with other wastes into sewage treatment plants. They may be segregated in tanks and disposed of separately on land or streams.

### Wastes From Slaughter-House

The wastes from slaughter-houses and meat-packing processes containing large amount of suspended solids are highly putrescible, quickly becoming septic with a disagreeable odour and high oxygen demand and having pollutional effects such as oxygen depletion, discolouration, sludge deposits, scum formation and insect nuisance; these shall be disposed of in the manner indicated below:

(a) Sedimentation, with or without coagulants, followed by septic tank treatment, roughing filters, superchlorination or activated sludge and low rate sand filtration to give BOD reduction varying from 40% to 90%.

(b) After settling, aeration and passage through trickling filters, the effluent may be discharged into sewers for further treatment.

### Wastes From Fermentation Industries

The wastes from fermentation industries after recovery of useful products vary with the nature of fermenting processes and raw materials and may be disposed of after suitable treatment into large volumes of water on or land.

### Wastes From Grain Starch Industry

The wastes from grain starch industry from wet-milling and bottled up processes consisting of condensates from stripping towers, entertainment from evaporators and washing waters polluted with organic solubles from the kernels are amenable to treatment when mixed with domestic sewage and may be disposed of in the sewers after screening and primary sedimentation.

### Wastes From Tanning, Fat-Processing And Laundry Soap Industries

The composite wastes from tannery which vary widely in strength carrying large amounts of suspended matter, including various constituents such as hair, particles of flesh and suspended practices of lime and calcium carbonate, are inherently putritive and eventually become highly offensive. Wastes from vegetable canneries are highly coloured from spent tan liquors and the colour persists for long periods in the stream receiving tannery wastes. In wastes from chrome tanneries colour is absent. But Anthrax may be transmitted, though very rarely, and arsenic, which is sometimes used for hair removal, may be present and may check biological action.

Tannery wastes may be disposed of in the manner indicated below:

(1) Tannery wastes not exceeding 10% of total flow of the sewage from any city present no difficulty in sewage treatment process. Mixtures of tannery wastes

and domestic sewage can be adequately treated in properly designed plants.

(2) Tannery wastes may form lime mortar inside receiving sewer, and this requires treatment with flue gas prior to discharge.

(3) Treatment of tannery wastes for disposal into watercourses involves one or a combination of the following processes: collocation and sedimentation with or without coagulants, biological treatment in sand filters or trickling filters and adequate means for disposal.

### Wastes From Edible Oil Refining And Soap Manufacture

The wastes usually consisting of wash water from the washes immediately following a caustic treatment and floors may interfere with sewage plants because of their high grease contents and excessive acidity acting on concrete sewers unless neutralized with lime before discharge and may be finally disposed of after screening, sedimentation and anaerobic digestion.

### Wastes From Textile Dyeing And Finishing Works

(1) Wools-scouring liquors should be treated at their sources and the treated effluents after centrifuging, chlorination, coagulation and secondary treatment may be discharged to the sewage system or to neighbouring stream.

(2) The final effluent from the wastes from dyeing and finishing processes contributed by the spent liquors and subsequent washing after singeing, bleaching, dyeing and finishing, after treatment by usual methods of chemical precipitation followed by sedimentation and filtration or other suitable treatment, may be discharged into a watercourse.

### Wastes From Pulp, Paper And Paperboard And Straw-board Industries

The wastes produced by the industry are of the group classed as organic wastes, both suspended and dissolved. The main objections to the discharge of mill effluents in respect to the condition of receiving stream, when dilution is low, are oxygen depletion, floating materials, deposits of suspended matter, toxicity to fish, colour, and odour. The final effluent may be disposed of after treatment methods such as screening, sedimentation, precipitation, coagulation, activated sludge, trickling filter, evaporation and burning or other suitable treatment, to avoid stream pollution difficulties.

### Acid Wastes

Acid wastes which may be a solution of one or a mixture of several acids with or without suspended matters or highly dissolved salt concentration may be

disposed of after adoption of remedial measures for volume reduction, strength reduction, equalization and interaction with other wastes. Equalization may be necessary even where the total amount of acid waste is insufficient to damage stream life, sewers or sewage treatment processes.

(a) Equalization of acid chemical wastes detained in large water collections with or without mixing devices and baffles is essential. The quality of the industrial wastes discharged into sewers shall have a pH between 4.2 and 8.4 indicating that the wastes have a low mineral acidity or caustic alkalinity.

(b) Neutralization with lime and other substances is necessary for wastes with high acid concentration which when discharged into streams may interfere with natural self purification, rise the hardness and cause a decrease of fish population.

**Caution:** The high nitrate concentration wastes from explosive factories even after neutralization may cause excessive growth of algae and may impart colour, taste and odour to the water of the stream. Disposal by mixing with sewage may be tolerated to a certain extent without affecting the BOD reduction in the activated sludge process.

#### Wastes From Steel Pickling Industry

Wastes from steel factory consisting of 1—9% of sulphuric acid and ferrous sulphate or in the disposal of sewage where ferrous sulphate acts as a coagulant and brings about improved clarification in the primary settling tanks. Neutralization of the free acid is usually done by the soda ash because it is easy to apply and avoids sludge deposits in sewers

#### Planting Wastes

The wastes usually consist of low concentrations of metals as ions or as cyanide complexes in solution and may be either acid or alkaline depending on the type of baths used. Electroplating wastes are toxic to fish and fish food, corrosive to metal and concrete structures of the sewers and affect sewage because of the toxic reaction of the waste chemicals on the biological organisms which cause purification.

(a) It is highly advisable to isolate the wastes containing cyanides and treat these separately from other wastes.

(b) Because of the toxicity of the cyanide wastes great care must be taken for location, design and operation of such plants.

(c) After treatment by approved methods in sealed tanks and use of blowers for diffusion of poisonous gas the effluents which may contain about 1 ppm of cyanide may be disposed of in such manner as would provide sufficient dilution for the complete safety of

the effluent after discharge into a stream or a sewage system.

#### Wastes From Coal Industry

Treatment of acid water and reduction of the acid content in mine drainage should be done before discharge into streams.

#### Wastes From Oil Refining Industry

Oilfield brine may be disposed of after removal of suspended matters and necessary chemical treatment and aeration into sea or into subterranean formations. Other wastes may be dealt with by appropriate treatment methods.

#### Laundry Wastes

Large volume of soap wastes with high oxygen demand from power laundries may require treatment by sedimentation chemicals, trickling filters, and activated sludge before discharge.

#### Sugar Wastes

Disposal of wastes is frequently done either on land or into streams, and pollutional characteristics may widely vary both in BOD and suspended solids. All waste products should be re-used, as far as possible, as a source of fuel, fertilizers and irrigation water.

#### Wastes From Rubber Industry

Wastes to be treated by neutralization, settling tanks and save all to remove suspended matter including rubber particles and the effluent to be treated suitably for disposal on land or water.

#### Prevention Of Pollution Of Water

In the disposal of sewage and other oxidizable organic wastes into surface waters, regard shall be had to the effects of pollution on such waters and the subsequent use or uses of such waters for different purposes.

#### Note On Biological Zones In A Polluted Stream

The over-all physical, chemical and biological changes brought about as a result of discharge of sewage and other oxidizable organic wastes have been divided into different zones on the basis of various criteria. A system of zoning on the basis of biological characteristics has been suggested as under:

#### Zone I: Zone Of Active Bacterial Decomposition

This zone is immediately below the source of pollution and is characterized by a low dissolved oxygen content (between 3 and 0 ppm), a high BOD, a high bacterial count, the presence of bacteria-eating protozoa such as Paramecium, Colpidium, Vorticella and Carechesium, and a few Flagellata. The total



volume of plankton is low. In the bottom deposits are found Tubifex and Limnodrilus worms. Gas evolution often brings sludge to the surface. Sewage fungus is present. Only a few coarse fish such as carp and buffalo are found at the mouth of the sewer.

#### Zone II: Zone Of Intermediate Bacterial Decomposition

The rate of biochemical activity is decreased and as a result the dissolved oxygen increases to 3 to 5 ppm. The plankton volume is higher but the plankton is still made up of pollutional forms requiring a rich medium or feeding on bacteria and solid particles. There is an increase in green and blue-green organisms. In addition to carp and buffalo, shiners, minnows, suckers and sunfish are found.

#### Zone III: Fertile Zone

This zone has a dissolved oxygen content above 5 ppm and is characterized by a large variety and volume of green algae and a decrease of pollutional protozoa. The fertilizing effect of the decomposed sewage and wastage has resulted in an increase in biological productivity. Forage and market fish increase in numbers.

#### Zone IV: Game Fish Zone

In this section the plankton volume diminishes sharply and only the clean water forms remain. The dissolved oxygen level remains near the saturation point. Bass, perch, wall-eyed pike and other game and forage fish predominate.

#### Zone V: Biological Poor Zone

Plankton volume is even lower in this zone and consists entirely of clean water forms. Fish are scarce in comparison with the previous zone and are mainly forage and game fish. The reduction of fish is associated with the low plankton population resulting from the exhaustion of available food.

#### Waste Disposal By Dilution

Disposal of sewage by dilution shall include sufficient diluting water high in dissolved oxygen to prevent putrefaction and to maintain fish life; adequate current to prevent sedimentation and to carry sewage away; absence of back current or quiet pools favourable to sedimentation in the body of water in which disposal is taking place. Conditions to be prevented are: offensive odours, sludge banks, rise of septic gases, deposit on shores, excessive oxygen depletion, unsightly discoloration, pollution of shell fish and killing of other fish life and unsightly floating or suspended matter.

#### Permissible Pollution

Permissible limits of pollution for particular body of water depends on subsequent use, which are:

- (1) natural state;
- (2) drinking water standard;
- (3) preservation of fish;
- (4) safety for agricultural use;
- (5) industries;
- (6) recreational standard;
- (7) freedom from nuisance;
- (8) commercial use, such as navigation.

No uniform standard of quality is possible because of different conditions in various regions. The principal consideration shall be, in promulgation of standard:

- (1) health;
- (2) aesthetic; and
- (3) economics.

In all waters dissolved oxygen shall be above 3 ppm and carbon dioxide not more than 40 ppm. For bathing purposes, coli-aerogenes index to be preferably below 100 in 100 c.c. and maximum limit 1000 in 100 c.c.

#### Sewage Outfalls

Before discharging sewage hydrological survey of the body of receiving water to be made, to satisfy the conditions referred to in 3 and 4 above, as well as for direction of flow and intake points for water supply on the downstream side.

#### Treatment

In all cases of disposal of sewage by dilution, screening, sedimentation of heavy grits and removal of grease and oil prior to discharge are to be carried out.

(see Table on p. 296).

#### Slaughter-House—Location

Preferably away from residential areas; may be located in a market if suitable accommodation is available. Sheds to be kept out of public eyes by high walls all round.

#### Structure

Floor and walls up to 3' should be impervious and easy to clean.

#### Disposal Of Wastes

Blood, offal, etc., should not be discharged in public sewer and should be collected separately. Intestines, hoofs and horns to be disposed of separately.

#### Water Supply

Independent, adequate and continuous.

#### Examination Of Animals

Ante-mortem and post-mortem examination to be

# Stream Conditions And Its Relative Fitness For Various Uses

Characteristics	Stream uses	Range of characteristics	Remarks
Dissolved oxygen (DO) (minimum monthly average DO in ppm)	Fish life; General sanitary condition. Reaction	0.3.0	Heavy pollution and probable nuisance at times; little fish life.
		3.0—5.0	Moderate to heavy pollution; no nuisance; fish life restricted to coarse species.
		Above 5.0	Slight to moderate pollution; fish life varied, abundant and healthy; game fish at higher minimum levels.
Biochemical Oxygen Demands (BOD) (maximum monthly average BOD in ppm)	General sanitary condition; Reaction	0—3.0	Slight to moderate pollution.
		3.0—5.0	Moderate to moderately heavy pollution.
		Over 5.	Heavy pollution.
pH (average daily pH value)	Water Supply; Fish life reaction; Navigation; Industry	6.5—8.6	Normal for unpolluted stream; favourable to fish life; suitable for water supplies.
		5.5—6.5	Moderate acid pollution; tolerable to fish life; suitable for water supply prior to treatment.
		4.0—5.5	Moderate acid pollution; detrimental to fish life; fairly suitable for water supplies prior to treatment.
		Less than 4.0	Heavy acid pollution; lethal to fish life; unfavourable to water supplies prior to treatment.
Coliform (bacterial) organism (limiting monthly average coliform per c.c.)	Water Supply: Water Sports & Bathing	0—0.5	Suitable for purification by simple chlorination.
		Not over 1.0	Bathing; sports
		0.5—50.0	Suitable for purification by filtration and other methods of treatment.
		Over 200	Unsuitable for treatment.

arranged. Animals or meat found unfit for human consumption should be destroyed or denatured.

## Miscellaneous

Animals other than those to be slaughtered shall not be allowed inside the shed.

## Storage Of Meat

If fly-proof and rat-proof rooms under sanitary conditions; for overnight storage the temperature of the room shall be maintained at 35°F.

## Transportation Of Meat

Meat shall be transported in fly-proof covered vans during slack period of traffic.

## Camps, Fairs And Festivals

### Lodging Houses And Dharamsalas

(a) Every room in lodging houses and dharamsalas shall not be less than 200 sq. ft. with a minimum height of 10 ft., and 10% of the floor area as window opening.

(b) Every such place shall have a separate kitchen and cooking inside the living room shall be strictly prohibited.

(c) All floors shall be of impervious materials and easy to clean and wash.

### Temporary Sheds

Each shed shall not be more than 100 ft. in length and 20 ft. in width, with separate working place.

### Water Supply

(a) In permanent pilgrimage places for periodical gathering of 50,000 or more persons, permanent water supply arrangement at the rate calculated at 6 gallons per capita per diem shall be provided from public taps at the rate of one for every 150 persons, and the supply should preferably be chlorinated and continuous.

(b) In case of temporary gatherings, disinfected water to be supplied by trucks and trailers at convenient points. Where the gathering is to last for more than two days, temporary spot tubewells or temporary pipe water supply is to be arranged.

(c) Mass disinfection of neighbouring water sources—both private and public—like masonry wells, ring wells, tubewells, etc., to be started a week prior to congregation and to continue for a week after the congregation is over.

### Litrines

(a) Shallow or deep trench latrines, maximum length not exceeding 100 ft., to be constructed. Number of seats to be calculated @ one for 20 persons. There should be an adequate number of sweepers and mehtars.

(b) Ablution water to be made available near latrines.

(c) Separate enclosure to be provided for women and sadhus.

(d) Sites for all latrines to be at least 50' away from drinking water sources and foodstuffs.

### Refuse Collection

Public bins to be provided at convenient places for collection and particularly in front of eating shops,

and should be disposed of once or twice daily as may be required.

### Restaurants And Eating Shops

Shall be located away from any collection of filth, latrines or sources of nuisance. To be kept clean and free from flies.

### Use Of Disinfectants

(a) Bleaching powder and other disinfectants shall be liberally used.

(b) DDT residual spraying method shall be adopted for keeping down flies and mosquitos.

### Restaurants And Eating Houses

#### Location

Shall not be near any accumulation of filth or open drain, stable, manure-pit and other sources of nuisance.

#### Floors

To be higher than the adjoining land, made with impervious material and easy to keep clean.

#### Rooms

(a) Rooms where meals are served shall not be less than 100 sq. ft. and shall provide accommodation for maximum 10 persons.

(b) Walls up to 3' height; should be smooth, corners to be rounded; should be impervious and easily washable.

(c) Lighting and Ventilation.—Ample natural lighting facilities aided by artificial lighting with good circulation of air are necessary.

#### Kitchen

(a) Floor space minimum 60 sq. ft.

(b) Window opening to be 25% of floor area.

(c) Floor to be impervious, smooth, easy to keep clean but non-slippery.

(d) Doors and windows to be rat-proof and fly-proof—of self-closing type.

(e) Ventilators 2% of floor area, in addition to smoke pipes.

### Storage Of Cooked Food

Separate room to be provided. For long storage, control of temperature is necessary.

### Storage For Un-Cooked Foodstuff

Perishable and non-perishable articles to be kept separately, in rat-proof and vermin-proof space; for storage of perishable articles temperature control should be adopted.

## Furniture

Should be reasonably strong and easy to keep clean and dry.

## Disposal Of Refuse

To be collected in covered, impervious bins and disposed of twice a day.

## Water Supply

To be independent source, adequate, continuous and safe.

## Washing Facilities

To be provided. Cleansing of utensils and crockeries to be done in hot water and followed by disinfection.

## Schools

### Site

(a) The site should be on suitable high land, not subject to inundation or dampness and can be properly drained, not far from inhabited localities and with good approach.

(b) Area of the land, including playground, shall be between 60 and 100 sq.ft. per student; minimum in congested areas 30 sq. ft. per student; in such congested areas, the nearest public park or playground should be made available to the students.

### Structure

(a) Nursery and Secondary schools should, as far as possible, be single-storied.

(b) Exterior walls shall have a minimum thickness of 10" masonry and should be heat resisting.

### Classrooms

(a) Verandahs should be attached to classrooms.

(b) Classrooms shall not be less than 100 sq. ft.

(c) Length of the room maximum 30 ft., width maximum 20 ft., with a minimum height of 10 ft.

(d) No classroom to accommodate more than 40 students.

(e) Per capita space for students in a classroom shall not be less than 10 sq. ft.

## Furniture

(a) To suit the age-group of students.

(b) Chairs and desks or high benches to be provided with proper back-rests, with facilities for desk work.

## Doors And Windows

(a) Broad windows with bottom sill at a height of 2' 6" from the floor level.

(b) Combined door and window area shall be at least 25% of the floor space.

(c) Windows to be placed on different walls for cross ventilation.

(d) If ventilators are provided, the area of the ventilator shall not be less than 2% of the floor area.

## Colour

Inside colour of the classroom to be white and should be periodically white-washed.

## Lighting

Classrooms to have sufficient natural light, preferably from the left, and shall not be from the front.

## Water Supply

There should be an independent source of safe and potable water supply, which should be continuous. Distribution should be from taps.

## Eating Facilities

(a) Vendors other than approved by the school authorities are not to be allowed inside school premises.

(b) School authorities to arrange for mid-day tiffin or meals of such standard as may be approved by the Director of Health Services.

(c) There should be a separate room provided for mid-day tiffins.

## Lavatory

Privies and urinals should be provided on the basis of one seat for 25 students. Arrangements should be separately provided for boys and girls.

# COMMITTEE APPOINTED TO EXAMINE ALL ASPECTS OF CATERING ARRANGEMENTS AND SERVICE ON RAILWAYS, 1953—REPORT

New Delhi, Railway Board, 1954. 81p.

Chairman : Shri O. V. Alagesan.

Members : Shri Shah Nawaz Khan; Shri P. C. Bhattacharyya; Shri K. B. Mathur.

Secretary : Shri S. K. Guha.

## APPOINTMENT

The Committee was appointed by the Ministry of Railways on November 3, 1953.

## TERMS OF REFERENCE

To put up proposals for re-organizing the present catering system on Railways, including:

(a) The consideration of the feasibility of the extension of Departmental Catering, steps required to minimize the loss at present experienced in such catering, prices being suitably raised, if necessary, having regard, however, to the fact that these were not such as were to be beyond the reach of the middle-class persons.

(b) As an immediate aim, to minimize and check the evils inherent in the Contract System of Catering where it has to continue, by

(i) Devising methods to prevent the tendency for some caterers to become monopolists and widening the field with a view to awarding contracts to smaller concerns as well. This should include consideration whether sub-contractors could not be awarded contracts to eliminate the bigger contractors who were more or less middle-men;

(ii) Devising deterrent penalties against contractors who sublet their contracts or fail to supply food of the requisite quality;

(iii) Feasibility of bringing down the prices at which the contractors are allowed to sell foodstuffs;

(iv) Practicability of having two standard "thalis" priced, say, at Rs. 2 and Re. 1 each so as to satisfy people of moderate means;

(v) Perfecting the arrangement for inspection of the quality of foodstuff and checking the prices charged by vending contractors; and

(vi) Steps necessary to effect improvements in dining cars meant for lower-class passengers.

## CONTENTS

Introductory; Contract Catering; Different Types of Catering; Departmental Catering; Improvements in Contract Catering; Restaurant/Dining Cars; Vending Contracts; Prices of Meals; Licence Fees; Relief to

Catering Contractors; Other Miscellaneous Matters brought up before the Committee; Summary of Conclusions and Recommendations; Appendices.

## RECOMMENDATIONS

### Contract Catering

On a review of the present position of catering on the Railways, the Committee found that Contract Catering was in force over a very wide field. The Committee noted that about 84% of catering establishments were, in fact, in the hands of contractors; the other 16% or so only being departmentally run. So far as vending was concerned, this was almost entirely in the hands of contractors.

The Committee also noted that although Contract Catering had the advantage of lower costs and was, therefore, in a better position to give satisfactory service, there was a large volume of complaints against such catering. They also noticed that some catering contractors who have large holdings are not in a position to exercise adequate personal supervision over their staff or services rendered in their establishments spread over a wide area or to pay due attention to public complaints and to take adequate remedial measures.

After having carefully examined the present state of affairs in Contract Catering establishments and the numerous complaints received in respect of the services rendered, the Committee came to the conclusion that the following steps were necessary to achieve the desired improvement:

(i) Railways with no Departmental Catering should start with an experiment with an Economic Departmental Catering Organization so as to set the standard and service as a model;

(ii) The holdings of contractors should be compact and of a manageable size and the existing large holdings which have resulted in unsatisfactory service should be reduced;

(iii) Railway Administrations should ensure more effective supervision and take prompt and vigorous action against unsatisfactory service.

### Different Types Of Catering

The Committee after examining the different types of catering establishments now run on the Indian Rail-

ways came to the conclusion that, with the changed conditions in the country, the Western-style catering at wayside stations had no future as a separate entity. They consider that restaurants now catering exclusively in the Western style may be closed down, except in places where contractors find that they have adequate custom. Likewise, restaurants run departmentally may also be closed down if they are uneconomic. Isolated demands for this type of catering at wayside stations could be met by the Non-Vegetarian Refreshment Rooms where they exist and are considered suitable for taking up this kind of catering in addition.

While the Committee consider that Western-style catering in restaurants will largely disappear, they feel that it will be necessary to maintain this style of catering in the restaurant cars running on important long-distance trains for catering to meet the special requirements of overseas tourists and other higher-class passengers for some time to come.

#### Departmental Catering

The Committee have noted the opinions expressed in favour of Departmental Catering and agree that satisfactory catering is one of the needs of the travelling public. They also agree that Departmental Catering could be an inducement to catering contractors to improve their service as well. They have, therefore, already recommended that Railways with no Departmental Catering should start with an experiment with an Economic Departmental Catering Organization.

While recommending organization of Departmental Catering to a limited extent on each Railway, the Committee have noted the possible difficulties in the way of implementing the recommendation both from the points of view of administrative responsibility and its financial implications and have suggested ways and means of meeting them. They have come to the conclusion that Departmental Catering should be capable of running on a "no-profit-no-loss" basis if certain measures were adopted to reduce expenditure, including combining different types of catering to form an economic unit for departmental working.

The Committee have stated that it was not their intention to recommend elimination of Contract Catering on the Railways. They would like to see an efficient Contract Catering running side by side with Departmental Catering, each profiting from the experience of the other, and fulfilling a complementary role.

#### Improvements In Contract Catering

The Committee have noted *inter alia* the desirability to reduce the existing large holdings to reasonable and manageable proportions. The holdings must necessarily be compact and capable of working economically, but at the same time should not be too large

as such holdings have resulted in practice in unsatisfactory service. The Committee realize that it is difficult to lay down any rigid limitation of holdings either by defining an area, number of contracts or monthly sales. Taking all factors into consideration, they agree that some discretion must be left with General Managers so that the local factors and satisfactory services of contractors may be taken into account in determining the reasonable size of a holding in each individual case. They have, however, set out, as a broad indication of policy, the following directive principles:

(i) In the case of Restaurant/Dining Cars, a contract may, if necessary, extend over the whole Railway and the contiguous Railways;

(ii) In the case of Restaurants and Refreshment Rooms, holdings may extend to about 10 to 12 contracts within a compact area on the Indian Railways;

(iii) In the case of Vending Contracts, holdings may extend to about five to seven contracts within a compact area on the Indian Railways. Local interests should, however, be encouraged in this case;

(iv) A combination of Vending, Catering and Dining Car Contracts in any individual case is permissible wherever deemed expedient to form an economic unit. Where such a combination is permitted, the total number of holdings may extend to about 15 to 20 contracts;

(v) Care should be taken to see that the same contractor does not operate under different names on the Indian Railways;

(vi) Before giving a contract, a declaration in writing should be obtained to show:

(a) That the contractor does not operate under a different name anywhere else on the Indian Railways;

(b) The number of Catering or Vending Contracts, if any, the Contractor holds on the Indian Railways.

If, in any particular case, circumstances warrant the extension of the holdings beyond the limits specified, the General Manager should obtain the approval of the Railway Board.

The Committee recommend that each Railway should review all its Catering and Vending Contracts with a view to implementing the directive principles set out in Paragraph 27 of the Report.

The Committee feel that although comprehensive instructions already exist regarding inspection of catering arrangements on Railways, in actual practice there has been some slackness in their implementation, and that supervision by those who are required to carry out these duties has been deficient. They recommend that more effective supervision must be enforced. Surprise inspections should also be encouraged.

The Committee also feel that a specific provision should be made for the imposition of fines on Catering and Vending Contractors for unsatisfactory service.

These should be sufficiently deterrent and may extend up to Rs 100 in any particular case

The Committee recommend that in the event of a wholesale termination of contracts of a contractor for grave reasons on one Railway, he should not be reappointed anywhere else on any other Indian Railway. If employees of a contractor are likewise dismissed for good and sufficient reasons, they should be debarred from appointment by any other contractor on any Indian Railway.

The Committee consider that instructions regarding maintenance of Complaint Books should also be strictly observed and cases of complaints such as non-production of Complaint Books viewed seriously, and adequate action taken against the contractors concerned by the appropriate Railway officer.

The Committee consider elimination of subletting of contracts essential for improvement in the existing state of affairs particularly in the context of Vending Contracts.

The Committee noted the present multifarious affairs for the different types of meals as confusing to the unwary passengers who were often defrauded and made to pay exorbitant rates not authorized by the Railway Administrations. The Committee have, therefore, evolved certain standard means at standard prices for Indian-style meals served in Refreshment Rooms.

The Committee consider that in awarding contracts, the appointment of suitable local men with requisite experience of catering should be encouraged. The Committee also consider that to ensure that subletting is not resorted to, Railway Administrations should carefully examine the *bona fides* of displaced persons before giving special preference to them in the matter of award of contracts.

The Committee recommend that the tenure of all catering contracts to be entered in the future should be of three years only, terminable on a month's notice from either party, subject, however, to the present proviso that contracts are liable to be summarily terminated in the event of a breach of the conditions of the contract, including unsatisfactory service, subletting or any other improper act. The Chief Commercial Superintendent should be treated as the authority who would take a decision whether a particular contract should be terminated in terms of the proviso referred to above.

The Committee consider that a reasonable security deposit related to the business turnover for a specified period should be charged at the discretion of the General Manager. The basis should, however, be uniform on each Railway applicable to all types of contracts.

#### Restaurant/Dining Cars

Having inspected the different types of Indian-style

dining and buffet cars now running on the Indian Railways, the Committee felt that the present arrangements were generally unsatisfactory and that, in future, there should be provision for only two types of dining cars—one designated "Restaurant Car" and the other "Dining Car." Restaurant Cars should be full dining cars catering mainly in the Western style as at present running on all important long-distance mail and express trains having fairly heavy upper-class passenger traffic and tourist traffic in particular. Dining Cars catering mainly in the Indian style should also have a larger seating accommodation. The Committee have in this context suggested that the future Dining Cars should be designed on the basis of their recommendations contained in Paragraph 42 of the Report.

The Committee also recommend that in future both Restaurant and Dining Cars should be open to all classes of passengers during meal times. This recommendation has already been implemented by the Railway Board.

The Committee also recommend that the construction of Dining Cars of the proposed design should be accelerated and a definite programme laid down by the Railway Board for early replacement of the existing buffet cars and catering compartments used for Indian-style catering.

The Committee have also evolved a standard design of containers in the "thali" service as indicated in Appendix "G" for general use in all dining cars for serving Indian-style food.

#### Vending Contracts

The Committee have noted that of all the different types of catering establishments on Railways, those for vending are usually the most profitable, and that, as the scope for profit is large, there has been a tendency on the part of middle-men having the necessary capital and influence of entering the business by securing contracts and then subletting them to vendors or salesmen at exorbitant rates. This has in turn led to the vendors and salesmen giving bad service and unsatisfactory food. Extortionate charging by such vendors has also been noticeable in the cases where Vending Contracts have been sublet. The Committee have also examined the various data made available to them in connection with the complaints for subletting and come to the conclusion that subletting was frequently and freely being resorted to by some contractors.

The Committee feel that the recommendation that they have already made earlier for reducing the size of holdings of contractors in terms of the directive principles will help in the elimination of subletting to a large extent. They further recommend that the number of salesmen per vendor or per platform should also be carefully fixed and strictly enforced to prevent any

scope for subletting of contracts. At large stations, separate Vending Contracts should be given for separate commodities. The Railway Administration must also be vigilant and watchful and take prompt action both in letter and spirit of Paragraphs 7 and 8 of the Railway Board's directive at Appendix "C"

### Prices Of Meals

The Committee have in consultation with the representatives of the Catering Contractors evolved certain standard menu and standard price for Indian-style meals and these have already been notified, at their request. They have in fact come into force from September 1, 1954. The particulars of the standard menu and standard price are given at Appendix "I".

In regard to Indian-style meals served in Indian-style dining or buffet cars and Western-style meals where they continue to be served on the Indian Railways, the Committee, after making certain suggestions, recommend that Railways should examine them with a view to introducing a standard menu and standard prices applying, as far as possible, to all Indian Railways. In regard to prices of tea and coffee also, suitable standardization should similarly be considered by the Railway Board.

The Committee feel that so far as prices of food-stuffs, including sweetmeat and other edibles, sold at vending stalls or hawked by vendors are concerned, there is some scope for reduction, and that Railways should pursue the matter further.

### Licence Fees

The Committee recommend that Railways should examine the scope for a further enhancement in the licence fees generally for the various types of catering establishments. So far as the actual revision of licence fees is concerned, the Committee consider that this should be left to the General Managers of Railways subject to the principle that the licence fees are not to be treated as a source of revenue but, at the same time, a reasonable fee should be charged having regard to the turnover with a view to meeting the Railways' expenses in connection with the provision of facilities for running the service and supervision and inspection of the establishments. A reasonable rent should also be charged for providing accommodation and this must normally be related to the floor area placed at the disposal of the contractor and the type of accommodation provided. After the first review, the licence fees and rents should continue to be reviewed every three

years. To what extent the turnover figures are reliable should be left for examination by the Chief Commercial Superintendent in consultation with the Financial Adviser and the Chief Accounts Officer. Certain suggestions in regard to the basis of fixation of the licence fees made by the Southern Railway were recommended for examination by all the Railways. In the light of the result of the examination, the Railway Board should lay down certain standards for adoption on different Railways.

### Relief To Catering Contractors

The Committee recommend certain reliefs to Catering Contractors, such as avoidance of unnecessary duplication of contracts at stations and unauthorized vending at stations or on trains; protection against dual control of Central and local Acts, bye-laws, rules and regulations in the matter of medical and sanitary inspections of catering establishments and extortion by Railway staff.

The Committee also recommend the setting up of an Advisory Committee consisting of representatives of caterers nominated by General Managers on each Railway.

### Other Miscellaneous Matters Brought Up Before The Committee

The Committee recommend the continuance of Railway employees' concession now allowed by Catering Contractors in the matter of meal tariffs but desire it to be rationalized and placed on a uniform basis, the extent of concession not exceeding 25% in any case. No concession need be given so far as Departmental Catering is concerned.

The Committee considered the question of giving preference in the matter of award of contracts to co-operative societies of vendors but did not favour the idea for reasons set out in Paragraph 65.

The Committee recommend experiments being carried out by departmental establishments on Railways to see if cooking generally cannot be improved by the adoption of what may be called "Army School Cookery" method. Certain standard tinned meat dishes might also be evolved by experiments in these establishments.

The Committee feel that the Railways can, with advantage, issue from time to time suitably worded appeals to their Catering and Vending Contractors to improve their service in all respects and also arrange "Courtesy to Customers Week" once or twice a year.



# COLLECTION OF AGRICULTURAL PRICES IN INDIA ENQUIRY COMMITTEE, 1953—REPORT

Delhi, Manager of Publications, 1954. 114p.

Chairman : Shri P. N. Thapar.  
Members : Dr. S. R. Sen; Dr. B. Ramamurti.  
Secretary : Shri J. S. Sarma.

## APPOINTMENT

The Collection of Agricultural Prices in India Enquiry Committee was constituted under the Ministry of Food and Agriculture vide their Resolution No. F.7-5/53-P.C. III, dated November 11, 1953.

## TERMS OF REFERENCE

- (i) To examine the existing machinery for the reporting of prices of agricultural commodities, including cash crops and foodgrains; and
- (ii) To suggest improvements necessary in the existing machinery.

## CONTENTS

Introductory; Present Position Regarding the Availability of Price Data; Some Technical Problems Connected With Price Reporting; Suggestions for Improvement; Economic Adviser's Index Numbers of Wholesale Prices; Summary of Conclusions and Recommendations; Appendices I to XIV.

## RECOMMENDATIONS

### Technical Aspects Of Price Reporting

The system of wholesale prices reported should cover representative prices at all stages of commercial transactions in goods, i.e., in primary, secondary and terminal markets. In selecting primary markets, while the importance of the market from the point of view of transactions should be the guiding factor, the availability of continuous price data should also be a criterion.

At each market, the quotation reported should relate to the actual price at which the transaction takes place irrespective of the Terms of Contract and without excluding the different incidents such as charges for weighing, wholesaler's commission, etc.

The variety and quality of the commodity to which the prices should relate should be specified for each market. If only a single variety is commonly transacted and its arrivals are continuous throughout the year, this variety should be selected for that centre. If this is not possible, two or three additional varieties which are most common and which are sufficiently

close to the original variety should be fixed in advance, and one of them should be quoted if the original variety ceases to arrive in the market. The prices should be reported for the fair average quality.

Whenever there is a change in variety, the price of the new variety during the previous one or two weeks should also be given to enable comparison. This will also facilitate splicing if Index Numbers are to be compiled from the data.

When both the old and new crops are marketed simultaneously, the prices of both should be quoted, for about four to six weeks.

For each market, the quotations should relate to the model price, i.e., the price at which most of the transactions take place, during the peak period of marketing.

The wholesale prices should be collected as on Friday every week, where markets are held every day. Where markets are held on specified days of the week, the prices reported should relate to the nearest market day, preceding Friday.

The prices collected should relate to actual transactions, nominal quotations being avoided as far as possible.

During the period when statutory rationing is in force, the wholesale issue rates to ration shops should be quoted. Where Fair Price Shop prices and Open Market quotations are simultaneously available due to partial control, both should be quoted. A rough estimate of the relative proportion of the respective transactions at Fair Price Shops and in the Open Market might be formed and submitted once in two months or so.

The Primary Reporter should collect the prices in terms of local measures and should convert them into standard measures. The prices reported and published should relate to all-India standard measures, e.g., maund of 82½ lbs. for grain, bale of 392 lbs. for cotton.

The proforma and instructions prescribed in Appendices IX and X should be adopted for the primary collection of data.

### Machinery For Collection Of Wholesale Prices

Any agency which is associated with the market in the normal course of its duties and is intimately acquainted with the market conditions is the most suitable agency for purposes of price reporting at the

Primary Level. It is an added advantage if the agency is located at or near the markets.

In States where the Agricultural Produce Markets Act has been enacted and regulated markets have been established under the Act, the staff of the Market Committees is the best agency for reporting prices.

The States which have not passed an Agricultural Produce Markets Act should undertake the necessary legislation expeditiously and establish regulated markets at the more important marketing centres as early as possible. Then alone can a permanent and reliable agency be created for the recording and reporting of wholesale prices. The other advantages of the regulated markets are given in Paragraph 4.4.

In applying the Agricultural Produce Markets Act, the State Governments should give priority to the centres selected for reporting of prices to the Ministry of Food and Agriculture given in Appendix XI. In States where the coverage of the commodities in the regulated market is limited, the Act should be extended to all commodities which are commonly sold in the market.

The States which have not yet enacted an Agricultural Produce Markets Act are advised to study the Hyderabad legislation and to follow the same with such modifications as may be necessary in the light of local conditions. The other States which are at present following a different system might also examine the working of the Hyderabad model with a view to seeing what suitable improvements can be made in the existing arrangements.

Till such regulated markets are brought into existence, other marketing agencies which already exist could, as an interim measure, be entrusted with the work of price collection provided they have adequate field staff in the districts, sub-divisions or tehsils.

Next in importance comes the Economic Intelligence Staff belonging to the Departments of Economics and Statistics. This can be entrusted with price reporting, as an interim measure, at places where regulated markets or other suitable marketing staff does not exist.

The revenue agency may continue to be entrusted with price collection work, as an interim measure, at such centres where regulated markets or other marketing or economic intelligence staff does not exist, subject however to certain improvements designed to enhance the reliability of the prices reported by it. The first is the provision of adequate and effective supervision over its work. The second is that the responsibility for price collection should be definitely fixed on a single specified person. Thirdly, the Primary Reporter should be trained properly in the procedures for the collection of prices.

As and when the regulated markets are established, the staff of the market committees should take over the

work of primary collection of price data from the Interim agencies. Then, even for the requirements of revenue administration, the District Collectors should utilize the data collected through marketing agencies rather than collect their own price data independently.

The staff of the Civil Supplies Department is not suitable as a permanent agency because it is mostly a temporary organization and is not likely to continue after the relaxation of controls.

For purposes of comparison, each State may attempt to collect prices for a few selected centres through non-official agencies also, e.g., Imperial Bank of India, Chambers of Commerce, etc.

In the regulated markets where the price data are reported by the marketing staff, inspection should be done by the officers of the Marketing Department.

Where the Revenue or other agency reports the price data, whole-time Prices Current Inspectors should be appointed, as an interim measure. The number of Inspectors that will be needed has been suggested for each State.

As regards permanent arrangements for the supervision of price data, in each district there should be a District Statistical Officer who should be entrusted with the task of supervision of all statistics including agricultural statistics and agricultural prices. This officer should belong to the Cadre of Statisticians and have the proper technical qualifications and the necessary training in statistics. He should be located at the headquarters of the district under the general supervision of the District Collector subject to technical guidance and co-ordination of a Statistical Organization at the State level.

The District Statistical Officer should not normally be required to do any routine collection of statistics. His main function should be to supervise the work of the various Primary Collecting Agencies and give them necessary technical guidance and training and also to co-ordinate their work.

Before the Primary Reporters begin reporting of prices, they should be adequately trained in the procedures of collection.

The duplication in the matter of price collection at present in existence should be avoided as far as practicable. At the State level, only one agency should be designated as the Price Collecting Authority.

The requirements of price data at the different levels, viz., the District, the State Headquarters and the Government of India, should be carefully assessed. Four Lists of Market Centres should be prepared for reporting prices to the District Officer, State Government, Central Ministry of Food and Agriculture and Office of the Economic Adviser, in the Ministry of Commerce and Industry. The first List should be inclusive of the second, and so on. The nature of the

markets, e.g., Primary, Secondary or Terminal, should be specified in each case. The authorities at each level should know exactly the names and types of centres selected at the other levels so that whenever the need for such data arises, they can get the information by telegram or otherwise from the appropriate authorities. In respect of common centres, the Primary Reporter should prepare the requisite number of copies and post them simultaneously.

In order to enable an assessment of the relative importance of different markets, data on arrivals of the various agricultural commodities into each market should be collected and maintained. In the absence of this information, statistics of movement by rail of these commodities to and from the railway station or stations near the market should be collected through the railway authorities.

The Ministry of Food and Agriculture are receiving price data from a large number of centres in respect of cereals and gram and a small number in respect of other crops. There is scope for reduction in the number of quotations for cereals. The list of centres for which the Ministry should obtain prices is given in Appendix XI.

With regard to agricultural commodities other than cereals and gram, the existing number of quotations is inadequate and should be enlarged. An illustrative list of centres for which the Ministry should obtain prices is given in Appendix XI.

#### Processing And Publication

The time-lag in the publication of the data should be reduced by the State Governments. A weekly Price Bulletin should be published by every State within seven days of the date to which the data relate. Ordinarily this should be printed, if it could be brought out in time. Where this is not possible, the Price Bulletins should be cyclostyld. In the latter case, we recommend that the weekly price data should be published in a separate monthly Bulletin, to serve as a permanent record.

The Ministry of Food and Agriculture might consider the question of preparing Regional Index Numbers of Wholesale Prices of cereals and other agricultural commodities based on a larger number of centres than those covered by the Economic Adviser's Index. These

Regional Indices might be ultimately combined into an All-India Index Number of Agricultural Prices.

All the major States should consider the desirability of compiling Index Numbers of wholesale prices in order to give a clear indication of the trends in prices.

#### Collection Of Retail And Other Prices

The collection of Retail Prices should be organized on the same lines as those suggested for Wholesale Prices. Adequate arrangements for supervision and improvements in the quality of data and the techniques of price collection should be made.

Where the data are required for the Cost of Living and Retail Price Index Numbers and are compiled by the Departments of Labour or Economics and Statistics, the data should continue to be collected through the existing agencies. The scope of the price data collected might be expanded to cover commonly used articles entering the consumption of other important urban classes, e.g., Middle Classes.

In other centres, wherever it is possible, the agency which is collecting Wholesale Prices should also collect Retail Prices.

As in the case of Wholesale Prices, the existing duplication of work relating to collection of Retail Prices should be avoided as far as possible and the lists of centres should be prepared in the manner described in Paragraph 4.30.

The procedure suggested by the Ministry of Food and Agriculture for the compilation of Farm Prices appears to be satisfactory. The States which have not so far adopted this method should start collecting the data on this basis immediately.

The States might also compile Index Numbers of Parity between the prices received and prices paid by the farmer. These State Indices might be ultimately combined into an All-India Index of Parity.

In States where "Futures" Markets are important, the respective State Governments should organize the collection of "Futures" Prices also. The Central Government might also collect data on "Futures" Prices in respect of important crops.

The list of 50 centres proposed for inclusion in the Cereals Sub-Group of the All-India Index Number of Wholesale Prices issued by the Economic Adviser to the Ministry of Commerce and Industry should be enlarged as suggested by us in Paragraph 5.5.

# STUDY GROUP (TRANSPORT PLANNING), 1953—REPORT

New Delhi, Ministry of Transport, 1955. 222p.

Chairman : Shri N. M. Ayyar.

Members : Shri H. P. Mathrani; Shri J. N. Nanda;  
Shri A. Nanu; Shri B. B. Saksena; Shri  
M. D. Sethna; Shri S. C. Chaudhri; Shri  
M. V. Bhavnani; Shri H. Davenport; Shri  
C. Parthasarathi.

Secretary : Shri D. D. Suri.

## APPOINTMENT

Complaints were received during the year 1953 from various quarters about the difficulties experienced by industry and trade in securing adequate railway transport for the carriage of raw materials and finished goods. Suggestions were also made that road transport should be expanded so as to fill the gap between the demand for transport on the one hand and the availability of railway wagons on the other. The Planning Commission took note of these criticism and invited the comments of the State Governments as to the extent to which their plans had been affected by the shortage of transport. On receipt of replies from the State Governments an inter-departmental meeting was convened by the Planning Commission on August 19, 1953, to review the position. It was then decided to set up a Small Study Group consisting of the representatives of the Planning Commission and the Ministries of Transport, Railways, Commerce and Industry and Food and Agriculture to examine and make recommendations on the planning of transport industry so as to meet the increasing demands.

The Study Group (Transport Planning) was set up in December, 1953.

## TERMS OF REFERENCE

(i) Study the data regarding targets of additional production and demand on regional basis and work out the additional transport capacity required to be created for facilitating the movement of traffic arising therefrom.

(ii) Examine more thoroughly the suggestion to demarcate 50-mile zones in the congested areas round Calcutta, Madras, Bombay, Ahmedabad, Kanpur, etc., for road traffic (it being understood that the Railways would not accept transport of certain categories of goods within the zones) with special reference to:

- (a) The economics of the proposal;
- (b) Relief to railway traffic (wagon capacity to be released);
- (c) Problems, if any, arising out of an increase in

road traffic like capacity of roads and their conditions, suitability of bridges for coping with additional traffic;

(d) Additional employment likely to be created and other related aspects.

(iii) Go into all aspects of the problem of rail-road transport co-ordination and make recommendations to the Government.

(iv) Study the problems of Light Railways like the Martin and Burn Railways, who, it is understood, are finding it difficult to face the competition from road traffic.

## CONTENTS

Introductory; Need for a National Transportation Policy; General Review of the extent to which Transport Requirements have been met by Railways; Comments of the Railways on the complaints and criticism by State Governments and others regarding inadequacy of Rail Transport Capacity; Coal Transport; Measures taken by the Railways to increase the Line Capacity and Rolling Stock to remove existing bottlenecks; General assessment of transport requirements arising out of the implementation of the Five Year Plan and the role to be played by the different forms of transport; Road Transport—a General Survey; Roads; Road Transport—an analysis of the factors affecting cost of operation; Taxation of Motor Vehicles; Regulation of Motor Transport; Nationalization of Road Transport; Further measures for encouraging road transport; Inland Water Transport; Coastal Shipping; Co-ordination of Inland Transport; Summary of Conclusions and Recommendations; Appendix.

## RECOMMENDATIONS

In India Railways have overshadowed other means of transport like Road, Inland Waterways and Coastal Shipping. It is necessary in the national interest to have a co-ordinated development of all forms of transport. As a first step it is essential to formulate a National Transportation Policy which will give due recognition to the part to be played by each of the different forms of transport and embody it in a statute.

A more realistic objective would be, first, to enable replacement of overaged trucks; secondly, to obtain full employment for the existing trucks; thirdly, to provide sufficient road transport capacity to carry the "small" traffic which the Railways are not now able to carry; and, fourthly, provision of additional road transport in

rural areas gradually. In the light of the current manufacturing programme, an addition to the total road transport fleet for goods by 10,000 to 12,000 vehicles per year during the next two years may be aimed at in addition to the replacement of overaged trucks. A fleet strength of about 160,000 trucks by the end of the Second Plan period would be a reasonable target to aim at. In addition, there will have to be expansion of passenger transport.

There is still a tendency to construct roads parallel and adjacent to the railways leading to duplication of transport services. It is desirable that State Road Plans should give priority to Feeder Roads connecting the interior with rail-heads. It is also desirable that whenever the construction of a major road, whether it is a National Highway or a State Highway, is decided upon the project should have the approval of the Central Board of Transport or the State Road Board, if one exists, as the case may be. The Railways should have representation on such Road Boards.

Road Transport Policies should generally be directed towards the control of the industry in a manner which would help in increasing the load factor and vehicle utilization, in the improvement of roads, in the encouragement of diesel-operated vehicles, and in the development of the type of vehicles most suited to conditions of operation in India.

The work of the Regional and State Transport Authorities should be reviewed carefully in the light of the remarks made by Appellate Authorities and Courts in the country and the set-up should be reorganized.

The Central Government should take power by legislation to regulate the inter-State movement of road transport vehicles as the present method of regulation by the State Governments is unsatisfactory and highly restrictive.

The automobile industry in India should take a long-range view of their own interests and of the country and try to offer their products at a reasonable price range. The marketing and distribution technique adopted by them will also require a revolutionary change if the products are to be sold in substantial numbers. In regard to passenger cars there is no doubt that the basic factor discouraging demand is the price of the vehicle.

A careful watch should be kept over the performance in India of the vehicles included in the manufacturing programme so that in due course the evolution of types of vehicles most suited for this country may be facilitated.

It is desirable to adopt the following order of priority in the development of road transport in the country:

(1) Passenger and Goods Traffic in areas not served by Railways.

(2) Passenger and Goods Traffic in rural areas.

(3) Passenger and Goods Traffic on Feeder Roads to rail-heads.

(4) Passenger Transport over distances not exceeding 150 miles in areas served by Railways.

(5) Carriage of goods over distances ordinarily not exceeding 150 miles in areas served by Railways.

State Governments may draw up special schemes for encouraging the use of lorries in selected rural areas by partly subsidizing co-operative societies or a group of Panchayats if they take the initiative by purchasing a suitable motor truck. Provision may have to be made for small workshops in and around the centres and for mobile vans for carrying out repairs.

Intermediaries, such as Goods Booking and Forwarding Agencies, should be subjected to statutory regulation.

Inland Water Transport should obtain better consideration in the Second Five Year Plan.

There should be definite understanding between Railways and shipping regarding the traffic that should be left to be carried by the sea route.

It is desirable that the Government should set up a High Level Committee to go into all aspects of sea-rail co-ordination.

Several complex problems of co-ordination have to be tackled in India. These include co-ordination between Road and Rail, Rail and Coastal Shipping, Rail and Inland Waterways, among Road Transport Operators themselves, and between Nationalized Operated Services and Private Services.

An expansion of the system of road operation by Road Transport Corporations in which the Railways and State Governments should take part is desirable.

It is desirable to examine the feasibility of operating integrated services over the railways and inland waterways. An extension of through booking facilities is also desirable. The Government also may have to adopt special measures to stimulate traffic by Inland Waterways.

The constitution and working of the Transport Advisory Council should be changed so as to make it a less unwieldy body which could take quick decisions. Efforts should also be directed towards making the decisions of the Council binding on the State Governments.

The Central Board of Transport should meet more regularly and it should consider not only the major decisions affecting the transport position proposed to be taken by the various Ministries but also review the progress made in the implementation of the various projects and the transport problems generally.

# STATES REORGANIZATION COMMISSION, 1953—REPORT

Delhi, Manager of Publications, 1953. 267p.

Chairman : Shri S. Fazl Ali.  
Members : Shri H. N. Kunzru; Shri K. M. Panikkar.  
Secretary : Shri P. C. Chaudhuri.

## APPOINTMENT

The States Reorganization Commission was constituted under the Ministry of Home Affairs vide their Resolution No. 53/69/53-Public dated December 29, 1953.

## TERMS OF REFERENCE

The Commission will investigate the conditions of the problem, the historical background, the existing situation and the bearing of all important and relevant factors thereon.

## CONTENTS

Introductory; Part I: The Conditions of the Problem: State of the Indian Union; Rationale of Reorganization; Time for Reorganization; Part II: Factors Bearing on Reorganization: Cost of Change; Unity and Security of India; Language and Culture; Financial Viability; Requirements of National Development Plans; Regional Planning and a Balanced Economy; Smaller vs. Larger States; Some Other Factors; Part III: Proposals for Reorganization: Basic Pattern of the Component Units; Madras; Kerala; Karnataka; Hyderabad; Andhra; Bombay; Vidarbha; Madhya Pradesh; Rajasthan; The Punjab; Delhi; Uttar Pradesh; Bihar; West Bengal; Assam; Manipur; Orissa; The Reorganized Units; Part IV: Administrative and Allied Matters: Safeguards for Linguistic Groups; The Integration of Services; Financial and other Administrative Measures; The Unity of India; Notes and Summary; Note on Himachal Pradesh; Note on Uttar Pradesh; Summary of Conclusions and Recommendations; Appendices I and II.

## RECOMMENDATIONS

The problem of the reorganization of States is urgent as with large-scale planning the country has to think in terms of enduring political units. The integration of States has removed the main hurdle in the way of rationalization of the existing units. Further deferment of a general reorganization will cause dissatisfaction and disappointment.

In proposing any changes in the existing structure, due consideration should be given to the unsettling consequences of reorganization. The changes proposed

should be such as would compensate, in terms of the welfare of the people, for the administrative dislocation and the heavy burden on the administrative and financial resources of the country which they entail.

In the interests of the national unity, it is necessary that the administrative and political structure of the country should be based on the primacy of the nation.

The administrative set-up in strategic areas should be determined primarily by considerations of national security. Where border areas are not under the direct control of the Centre, it would be safer to have relatively large and resourceful States.

It is neither possible nor desirable to reorganize States on the basis of a single test of either language or culture; a balanced approach, which takes all relevant factors into account, is necessary.

Financial viability has an important bearing on reorganization proposals, but it has to be considered along with other relevant factors.

Some degree of dislocation in the working of the next plan is likely to be caused by any scheme of reorganization; this dislocation, however, should be considered along with the possible advantages of reorganization. Steps should also be taken to minimize the unsettling effects of reorganization.

The States cannot be so reorganized as to conform to economic regions. Nor can the principle of economic self-sufficiency within an administrative unit be regarded as a clear criterion. Consistently with these principles it would be desirable to avoid as far as possible wide disparities in resources between the various States.

The wishes of the people should be regarded as an important factor bearing on reorganization but they have to be considered along with other relevant factors.

The facts of the existing situation are more important than the previous historical associations of different areas. Undue importance cannot be attached, therefore, to historical arguments.

Geographical contiguity of the units is important from the point of view of administrative convenience. Other geographical factors have to be regarded as secondary.

The existing constitutional disparity between the different constituent units of the Indian Union should disappear as a necessary consequence of reorganization.

In respect of three of the Part C States, namely, Himachal Pradesh, Kutch and Tripura, the Central Government should retain supervisory powers for a

specified period to maintain their present pace of development.

Such of the existing Part C States as cannot be merged in the adjoining areas for security and other imperative considerations should be administered by the Centre as "territories".

The component units of the Indian Union should thus consist of two categories:

- (a) "States" forming primary federating units of the Indian Union; and
- (b) "Territories" which are Centrally-administered.

#### Madras

This State should include the existing territories subject to the following adjustments, namely:

(i) The five taluks of Agastheeswaram, Thovala, Kalkulam, Vilavancode and Shencotta, now forming part of Travancore-Cochin, should be transferred to the State of Madras; and

(ii) The districts of Malabar and South Kanara and Kollegal Taluk of Coimbatore District should be detached from Madras.

#### Kerala

The State of Kerala should be formed, which should consist of the following areas:

- (a) The State of Travancore-Cochin minus the five taluks proposed to be transferred to Madras;
- (b) Malabar District (including Fort Cochin and the Laccadive Islands), Kasaragod Taluk of South Kanara District and the Amindive Islands.

#### Karnataka

The State of Karnataka should be created consisting of the following areas:

- (a) The present State of Mysore, excluding Siruguppa Taluk, Bellary Taluk, Hospet Taluk and a small portion of Mallapuram Sub-Taluk of Bellary District;
- (b) The four Kannada-speaking districts of Bombay, namely, Dharwar, Bijapur, North Kanara and Belgaum (except Chandgad Taluk of Belgaum District);
- (c) The districts of Raichur and Gulbarga from Hyderabad;
- (d) South Kanara District of Madras minus Kasaragod Taluk;
- (e) Kollegal Taluk of Coimbatore District of Madras; and
- (f) Coorg.

#### Hyderabad

Apart from the districts of Raichur and Gulbarga, the Marathwada districts should also be detached from Hyderabad State. The residuary State which should continue to be known as Hyderabad should consist of the Telugu-speaking districts of the present State of

Hyderabad, namely, Mahbubnagar, Nalgonda, Warangal (including Khammam), Karimnagar, Adilabad, Nizamabad, Hyderabad and Medak, along with Bidar District, and Munagala Enclave in Nalgonda District belonging to Krishna District of Andhra.

The residuary State of Hyderabad might unite with Andhra after the General Elections likely to be held in or about 1961, if by a two-thirds majority the Legislature of Hyderabad State expresses itself in favour of such unification.

The future of the remaining areas of Hyderabad, consisting of the districts known as Marathwada, is dealt with later on under Bombay.

#### Andhra

Andhra State should for the time being continue as it is, subject to certain minor adjustments which are mentioned below.

The taluks of Siruguppa, Bellary and Hospet and a portion of Mallapuram Sub-Taluk of Bellary District should be transferred to Andhra.

Munagala Enclave of Krishna District, as has already been stated, should be transferred to Hyderabad.

There should be no change in the present position regarding Madras City and its future should be regarded as finally settled.

#### Bombay

The State of Bombay should be reconstituted so as to include the existing Bombay State minus Abu Road Taluk of Banaskantha District and the Kannada-speaking districts of Dharwar, Bijapur, North Kanara and Belgaum (excluding Chandgad Taluk), plus the following areas:

- (a) The Marathi-speaking districts of Hyderabad, namely, Osmanabad, Bhir, Aurangabad, Parbhani and Nanded;
- (b) Saurashtra; and
- (c) Kutch.

#### Vidarbha

A new State to be known as Vidarbha should be created, consisting of the following Marathi-speaking districts of Madhya Pradesh, namely, Buldana, Akola, Amravati, Yeotmal, Wardha, Nagpur, Bhandara and Chanda.

#### Madhya Pradesh

After the separation of Vidarbha, a new State, which may be known as Madhya Pradesh, should be created consisting of:

- (i) The 14 districts of the residuary Madhya Pradesh;

(ii) The whole of Bhopal and the whole of Vindhya Pradesh;

(iii) Madhya Bharat except Sunel Enclave of Mandsaur District; and

(iv) Sironj Sub-Division of Kotah District of Rajasthan.

#### Rajasthan

After the proposed merger of Sironj in the new Madhya Pradesh State, Rajasthan should continue in its present form subject to the addition of territories mentioned below:

(i) Ajmer; and

(ii) Abu Road Taluk of Baraskantha District of Bombay, Sunel Enclave of Mandsaur District of Madhya Bharat and Loharu Sub-Tehsil of Hissar District of the Punjab.

#### The Punjab

There is no case for dividing the present Punjab State. PEPSU and Himachal Pradesh should, however, be merged in the Punjab.

Loharu Sub-Tehsil of Hissar District, as already stated, should be transferred to Rajasthan.

Apart from the safeguards referred to in Paragraph 24 of this Summary, Himachal Pradesh should be represented in the Punjab Cabinet by at least one member.

#### Uttar Pradesh

There is no case for dividing Uttar Pradesh, and this State should continue in its existing form.

#### Bihar

It does not seem to be either necessary or desirable to create a Jharkhand State in South Bihar; the special needs of this area should, however, be recognized.

Seraikella and Kharsawan should continue to be part of Bihar.

Some adjustments in the two eastern districts belonging to Bihar are indicated under West Bengal.

#### West Bengal

A portion of Purnea District east of the river Mahananda and Purulia Sub-District of Manbhum District minus the Chas Thana should be transferred from Bihar to West Bengal.

Subject to the recommendations summarized in the immediately preceding paragraph, no boundary adjustments seem to be called for in order to satisfy claims and counter-claims in respect of the border areas of Bihar, West Bengal, Assam and Orissa.

#### Assam

Assam should continue as it is subject to the

changes mentioned below:

The demand for the creation of a Hill State in Assam is impracticable and there is also no reason, having regard to the peculiar features and circumstances of Assam, why a separate Hill State should be created; Special attention should, however, be paid to the development of the hill districts and an enquiry into the working of the autonomous bodies created under the Sixth Schedule to the Constitution should be undertaken.

Tripura should be merged in Assam.

The present arrangements with regard to the North-East Frontier Agency should continue.

#### Orissa

No changes are called for in the boundaries of Orissa which were fixed in 1936 after a prolonged and detailed examination.

#### Jammu And Kashmir

No recommendations are made in regard to Jammu and Kashmir.

The units or areas which have not been dealt with so far will be directly administered by the Centre and will be known as territories.

#### Delhi

Delhi should be constituted into such a Centrally-administered territory; the question of creating a Municipal Corporation with substantial powers should be considered.

#### Manipur

Manipur should be a Centrally-administered territory for the time being. The ultimate merger of this State in Assam should be kept in view.

#### Andaman And Nicobar Islands

The *status quo* in the Andaman and Nicobar Islands should continue.

The arrangements in regard to areas which have been or may be brought under Central administration in future, either before or after becoming *de jure* part of the territory of India, must be flexible, until the position is finally clarified.

Constitutional recognition should be given to the right of linguistic minorities to have instruction in their mother tongues at the primary school stage subject to a sufficient number of students being available. The Central Government should acquire powers to enforce this right on the lines of the provisions contained in Article 347 of the Constitution.

The Government of India should adopt, in consultation with the State Governments, a clear code to



govern the use of different languages at different levels of State administrations and take steps, under Article 347, to ensure that this code is followed.

The domicile tests in force in certain States operate to the disadvantage of minority groups. The Government of India should, therefore, undertake legislation under Article 16 (3) of the Constitution in order to simplify and liberalize the requirements as to residence.

In examinations regulating entry into the Public Service of the States, a candidate should have the option to elect as the medium, apart from the main language of the State, the Union language, namely, English or Hindi, or the language of a minority constituting about 15% to 20% or more of the population of the State.

As far as possible, Public Service Commissions should be constituted to serve more than one State.

Appointments to Public Service Commissions serving even single States should be made by the President as in the case of appointments to joint Public Service Commissions.

The reconstitution of the sanctioned State Cadres and the integration of Services should be accorded very high priority, and must be decided on the basis of certain general principles, due regard being paid to the options of the employees, the need for a mixed element in the services, *inter se* seniority in the State of origin, etc., and also the needs of the new States.

The body constituted to integrate the service personnel of different States should be one that inspires confidence, and only one appeal against decisions regarding integration should be permitted.

After the scheme of reorganization has been given effect to, it may be necessary for some of the new administrations to review the number and territorial extent of the existing districts as well as Commissioners' charges and the rationalization of the administrative structure.

Decisions on the reorganization proposals should, if possible, be taken before the next Finance Commission commences its enquiries.

If may be necessary to grant ways and means advances to newly-constituted units in order to help them to tide over temporary difficulties.

Pending a comprehensive review, grants-in-aid on Revenue or Capital account as well as long-term loans should be made available to the new units as nearly as possible on the existing basis. The Government of India should fix the existing statutory and development grants and long-term loans with reference to the principles on which such grants or loans have been sanctioned.

Payments under Article 278 of the Constitution may be continued and apportioned population-wise

among new units until such time as the position is reviewed by the Finance Commission.

Pending the amendment of Article 264 (b) of the Constitution, appropriate portions of the divisible pools pertaining to Part C States, which are now retained by the Centre, may be distributed among the new units, where necessary, in proportion to their population.

Assets and liabilities should be divided on the basis of principles which should, as far as practicable, be of general application.

Financial settlements in the case of Part C States need not be elaborate, but may be based on a review of the position as it exists today and the needs of these areas.

The question of setting up some special machinery to expedite the final settlements regarding assets and liabilities should be considered.

It will be necessary to adapt current inter-State agreements regarding water rights, etc., with due regard to the broad basis on which they may have been drawn up, and this question should be taken up as soon as possible after decisions regarding reorganization have been reached.

The creation of Special Development Boards for certain areas which are underdeveloped should be considered.

A permanent body, in which members of the Planning Commission may be included, should be set up in order to examine the grievances, if any, on the score of the alleged neglect of certain areas.

The Government of India should consider the question of formulating an Industrial Location Policy for the whole of India, in order to ensure an equitable distribution of development expenditure.

As a general rule, 50% of the new entrants in the All-India Services should be from outside the State concerned, this computation being made after deducting the number of posts in any State which are to be filled by promotion.

Certain All-India Services, namely, the Indian Service of Engineers, the Indian Forest Service and the Indian Medical and Health Service, should be constituted.

Regular transfers to and from the Centre and the States in respect of personnel belonging to the All-India Services should, as far as possible, be arranged.

The curriculum of studies for the new entrants to the All-India and Central Services should include such basic and essential subjects as Indian history, geography, religions, customs and manners.

In formulating a policy regarding the recognition of Hindi in Competitive Examinations for the All-India and other services, the need for encouraging the study

of other Indian languages, and particularly of the South Indian languages, should be kept in view.

At least one-third of the number of Judges in the High Court of a State should consist of persons who are recruited from outside that State.

For some time to come, English should continue to occupy an important place in our universities and institutions of higher learning even after the adoption of Hindi and the regional languages for official and educational purposes.

Osmania University should be placed under the

Central Government and the medium of instruction in this University should be Hindi. One more Central University should be established further South and arrangements should be made for the study of South Indian languages in the North.

Reorganization has a legitimate place in this country, but its limitations must be recognized. If the supremacy of the Union not merely in the political but also in the economic thinking of the country is fully realized, the issues arising out of the reorganization of States should not assume the proportions of major political controversies.

1954

## RATES AND COSTS COMMITTEE, 1954—REPORT

New Delhi, Ministry of Irrigation and Power, 1956. 2 Parts.

Chairman : Shri P. C. Agrawal.  
Members : Shri Raunaq Lal (left); Shri N. S. Sandhu (left); Shri M. R. Varadarajan; Shri S. Ramier.  
Secretary : Shri G. G. Dhanak (replaced by Shri B. D. Nanda).

### APPOINTMENT

The Rates and Costs Committee was constituted under the Ministry of Irrigation and Power vide their letter No. DW-III-7(I) dated February 16, 1954.

### TERMS OF REFERENCE

The Committee was required to make recommendations on the following terms:

(i) A Comprehensive Standard Schedule of rates for manual as well as machinery work, which can be used as a basic schedule for all projects with such modifications as may be necessary for zonal consideration;

(ii) Standard analysis of rates for the main items

of River Valley Projects estimates which would enable rates being worked out for any project with the help of the basic schedule, after allowing for differences in cost of carriage and other local factors involved;

(iii) The causes which have led to the difference in rates at present prevalent on the various major projects (dams and canal works); and

(iv) To examine the present P.W.D. forms with a view to suggesting modifications which would serve the purpose of better cost accounting on all River Valley Projects.

These Terms of Reference were further amplified by the Government of India with the concurrence of the Comptroller and Auditor-General in their letter No. DW-III-22(10S) dated June 4, 1954, stating that "the Committee will also visit a typical Railway Workshop (Central Railway Workshop, Parel), and after studying the system of maintenance and accounting of stores in force on the Projects, the Railway, and the Electricity Department of the Government of Madras and the procedure on Stock Control as laid down in B.S.S.

1100—Part 5 by the British Standard Institution, and make recommendation on:

(i) Stock account rules to be adopted for both quantity and value of accounts of stores for River Valley Projects;

(ii) Suitable forms for the maintenance of accounts of special tools and plants and machinery and the forms pertaining thereto;

(iii) Procedure for the maintenance of accounts of special tools and plants and machinery and the forms pertaining thereto; and

(iv) Rules for placing orders for stores, taking delivery from railway (or other carriages), carriage to godowns, safe custody (including construction of godowns, bins and yards), employment of guards, physical verification, issues, etc., with form such as challans, gate-passes, etc., for upkeep and custody of stores (including all tools and plants) to guard against thefts, shortages, etc., and ensure fixing of responsibility thereof.

In so far as the Terms of Reference of the Committee relating to matters falling within Article 160 of the Constitution are concerned, the Committee was deemed to function for and under the Comptroller and Auditor-General of India, vide the Government of India, Ministry of Irrigation and Power, letter No. DW-III-22 (108) dated June 4, 1954. Briefly these terms were:

(i) To make suggestions for the introduction of such subsidiary rules or accounts as would ensure a more effective control over the cost of certain items of works; and

(ii) To suggest improvements *inter alia* in the system of store accounting as far as possible.

## CONTENTS

**Part I:** Introductory; Construction Cost; Economics of Construction Equipment; Stores; Cost Control; Excavation, Loading, Hauling and Compaction Units; Earthwork by Manual Labour; Transport; Drilling and Quarrying; Tunnelling; Brick Work and Lining of Canals; Steelworks and Gates; Store Masonry; Concrete and Formwork; Analyses and Schedules of Rates; Observations; Annexures; Appendices; **Part II:** Introductory; Existing Conditions and Remedies; Central Workshops; Stores; Cost Control; Forms; Summary of Recommendations; Appendices from I to VI.

## RECOMMENDATIONS — SUMMARY

That the existing Muster Roll System be replaced by Time-Keeping System on large River Valley Projects.

That Costing should be done in a separate section.

That Stores Accounts be kept on the lines detailed in Chapter 4.

That inspection and issue of inspection notes and payments for supplies should be prompt.

That a system of payment for supplies on indemnity bonds be introduced.

That advance payments should be permissible in the case of local deliveries also.

That it should be permissible to raise debits for the supply of stores falling under Transfer between P.W. Office on the basis of issues from godowns supplemented by the receipts of the indenter or his Clearing Agents.

That it should be permissible to make payment for supplies made within the country against Running Rate Contracts made by the Director-General, Supplies and Disposals, direct to the supplier instead of through the Director-General, Supplies and Disposals.

That it should be permissible to make payment of freight to the Railways by cheque or in cash.

That it should be necessary to clear the Workshop Suspense either by cash recovery or by adjustment made periodically in case of completed jobs.

That an annual requirement of stores on a project should be budgeted carefully and a revenue limit laid down.

That disposal of surplus and unserviceable stores should be prompt.

That non-standard and obsolete equipment should not be purchased.

That proper discretion for purchase of spares should be exercised and a comprehensive list of interchangeable spares also prepared for use.

That physical check of stores should be carried out continuously.

That the use of present form of register of works (C.P.W.A. Forms 40 & 41) and work abstract (C.P.W.A. Forms 33 & 34) may continue on smaller projects.

That simplified forms of work abstract (Form N-34) should be used on larger projects.

That the register of works in a simplified form (N-35) be used on larger projects.

That maintenance of material at site accounts be dispensed with and all stores passed through Stock Accounts.

That only quantity account of stores received and issued on works for material at site be kept in a Maukavar register and physical verification carried out periodically.

That classification and coding of stores items be done on a decimal system as described in Chapter 4.

That adequate and trained stores personnel be posted in a Stores Section in advance.

That measurement book (C.P.W.A. Form 23) so far as supplies are concerned should be replaced by a new form (N-8) of stores received book.

That a standard issue rate should be fixed for each item of store for duration of the project.

That some of C.P.W.A. forms be amended and some replaced.

That proper stores yards and bins be constructed for keeping stores and watch and ward staff employed for security.

That a ledger for all equipment in Form N-28 be maintained.

That figures of Cost Section and Financial Accounts Section should be agreed and differences reconciled.

That field report for labour, equipment material issued should be introduced.

That a system of designating physical quantities and details of accounts by units be introduced to facilitate classification of expenditure.

That decimal system of classification be adopted for classification of accounts.

That service conditions for accounts personnel be made more attractive and competitive examinations introduced.

That a qualifying examination in accounts be prescribed for all officers.

That routine clerks should compulsorily pass an accounts examination before becoming entitled to promotion above certain grade.

That in heavy divisions S.A.S. accountants should be kept to perform the duties of accountants.

That the Accounts Branch on large River Valley Projects should be split into a number of sections, each headed by a senior accountant.

That recruitment of workcharged and other establishments be made through the Employment Section of the Project.

That a Time-Keeping System be adopted in workshops as described in Appendix V.

That each shop should be under a Chargeman and Time-Officer under a Time-Keeper.

That Foreman or Sub-Divisional Officer should be in charge of two or more shops.

That hours of work be fixed according to the Factory Act and that sanction for overtime be obtained in Form W-5.

That wages for half-hour should be disallowed for late attendance of five to 15 minutes and one hour's wages for late attendance exceeding 15 minutes but not exceeding 30 minutes.

That a worker leaving work before the expiry of day's shift should be allowed only proportionate wages for the period he actually worked.

That leave should be granted and holidays observed according to Factory Rules.

That annual proforma accounts of each workshop should be prepared in forms and details prescribed by the Government in consultation with the Accountant-General.

That there should be a requisition in Form W-1, sanctioned estimate for each job and also a deposit in case of private jobs.

That access to the Token Board should be provided for only five minutes before commencement of shifts.

That late-comers should be given their tickets at the window of the Time Office.

That the Time-Keeper should report daily the total number of each category of labour present to the Officer I/C of the workshop.

That the Chargeman should keep a record of each worker of jobs on which each worked on a shop board.

That the Chargeman should complete the Time Card in Form No. 21

That Gate Passes in Form TK-7 should be used for all articles going out of gate.

That Gate Passes should be signed by an Officer not below the rank of Foreman.

That a Gate Pass should be checked at the gate by the Time Office and Watch and Ward Staff who should sign it in token of check of passing materials, etc., as entered in it.

That the counterfoils of Gate Passes should be frequently verified by the Accountant by a tally with the original copies.

That Gate Passes should also be used in the case of staff going out on duty.

That no Gate Pass should be necessary in case of accident, and that the person concerned should be marked present for the whole morning or afternoon term in which the accident occurred.

That payment of wages to staff other than that employed on monthly basis be made weekly or so notifying the same two days before.

That the Time-Keeper should prepare a Form W-7 of Wages Allocation Sheet and send it to the Divisional Office.

That the Foreman should maintain a register in Form W-8 of the time for which each worker is employed each day.

That each shop having machines with tools, etc., should be provided with a lock-up cupboard with a list of the tools fixed on the inner side of the door.

That each workman taking charge of the machine should check tools, etc., with the list.

That special tools, jigs, etc., should be obtained under the Foreman's signatures who will be responsible till their return to Stores or transfer elsewhere.

That the Foreman should obtain foundry materials from Stores in quantities sufficient roughly for a month.

That the cost of stores drawn for the foundry should remain charged to the Suspense Work Order till its eventual transfer to jobs concerned or Stores.

That there may be created a Sub-Stores in a workshop and that stores drawn should be charged to the Stores Suspense Work Order.

That the balance under the Stores Suspense Work

Order should be cleared by transfer to jobs concerned or Stores.

That the stores from the Workshop Store should be issued on Form N-13 and the Store-Keeper send the receipted indent daily to H.O. with a covering list in Form W-6.

That the Store-Keeper should complete Bin Card Form No. 10 and prepare in duplicate Form W-6 as transactions occur and send the indents to the Head Office.

That the Divisional Officer should maintain a Store Ledger in Form N-18 and prepare material analysis in Form W-10 by Jobs.

That over-head charges should be levied on all jobs to fix their total cost.

That no work should be undertaken in a workshop without an order in Form W-2.

That there should be a Work Order in Form W-2, Job Card in duplicate in Form W-3, and an entry made in the Job Register in Form W-4.

That the entries in the Job Card in respect of labour should be filled in by the Foreman and those for stores from the Store-Keeper report in Form W-6.

That the total of Pay Roll should be agreed by the Divisional Accountant with that of sheet in Form W-7.

That the register of Work Order and Job Cards should be completed on the completion of a job and an entry in a ledger in Form W-11 made.

That at the end of every month over-heads should be levied on all completed jobs and adjustment made to clear workshop suspense.

That a monthly schedule of workshop suspense be prepared in a manuscript form on the lines of Form CPWA 67.

That a monthly consolidated account of workshop suspense by jobs should be kept in CPWA Form 67.

That there should be no balance under General Charges Suspense at the commencement of a fresh year—the balance, if any, being adjusted by credit to R. R. on capital account or by write-off under an order of a competent authority.

That a bill in Form W-12 should be issued for acceptance or payment.

That a proforma account should be prepared at the end of the year to show the financial aspect of the shops, the existing centage charges for over-head reviewed and new ones determined for the ensuing year.

That a Decimal System of Classification should be adopted for Stores.

That the maximum limit should not exceed the minimum limit by more than the requirement for one year.

That the minimum limit for stock should not exceed 6-8 weeks' requirements in the case of local supplies.

A higher limit may be fixed in the case of imported articles.

That bulking of orders for purchases should be limited to three months' requirements.

That mechanical equipment should be standardized, and the supply of spare parts during life-time of a machine should be made a condition of the purchase.

That the prices of spares should also be controlled.

That there should be constituted a Stores Purchase Committee with full powers to make purchases direct and a senior officer of the Ministry of I. & P. or a Stores Purchase Officer made a member.

That the Project Manager should normally be the Chairman of the Stores Purchase Committee, Stores Purchase Officer of D.G. of Supplies and Disposals, Chief Mechanical Engineer, Financial Adviser, and Chief Accounts Officers as Members and the Central Stores Officers as Member Secretaries.

That there should be an annual budget for purchase of stores approved by the Committee before placing orders.

That the Chief Stores Officer should be placed directly under the Project Manager.

That demands for an urgent and immediate purchase of stores should be kept to the minimum.

That the powers of officers to make emergency purchases should be clearly defined.

That shortages in consignments should be immediately notified to the supplier.

That payment for shortage should be made and charged to Misc. Advances in case the Railways have accepted it and granted "Short Certificate".

That payment for railway freight should be made by cheque and cash.

That the bills for supplies should be entered in a register in Form N-12.

That the bills for supplies should invariably contain references to Purchase Orders and Railway Receipts.

That the Stores Received Book should be completed in respect of rate, amount, etc., as soon as the bill is received.

That a supplementary Stores Received Book should be prepared if necessary in respect of incidental charges, etc., so that the two Stores Received Books will tie up the accounts between the value of the stores received and the actual expenditure through the Cash Book.

That the officer receiving the stores should check the bill with entries made in the relative Stores Received Book and Purchase Order and record a Certificate of Verification.

That all purchases of stores should be passed through Stock Accounts.

That all purchases of stores should pass through

Purchase Account in the first instance and clearance effected as bills are paid.

That the Purchase Register should contain a reference to the Stores Received Book No. and Date, R/R No. and Date, Purchase Order and names of a few prominent items.

That a monthly Abstract of Stores Received Books should be prepared sub-divided by stock sub-heads in Form N-11.

That one copy of the Stores Received Book should be used for posting the Store Ledger.

That monthly reconciliation of the value of Abstract of Receipts should be carried out with figures in the Purchase Register and the total in the Ledger under each stock sub-heads.

That pressure gauges should be used for checking the quantity of gases, etc.

That the Stores Receiving Officer should notify the receipt of stores to the indentors promptly.

That the first purchase price should be adopted as standard price for that store for the duration of the project except for violent fluctuations.

That issue rates for an article of store should be worked out again when violent fluctuations are noticed.

That the original Stores Received Book with stores should be sent by the Officer receiving the stores to the store holder who after completing the Stores Received Book in respect of the Bin Card No., etc., should return it to that officer for the completion of the other two copies and pass on the original to the Divisional Office for further processing.

That the Bin Card should be posted immediately on receipt of articles in the Stores.

That a new Bin Card should be issued only under the signature of the officer holding the Store.

That there should be separate Stores for combustible materials.

That the issue rate should be mentioned on the Bin Cards.

That the indents for stores in Form N-13 should be prepared in triplicate in indelible ink or with copying pencil.

That two copies of the indents in Form N-13 should be presented at the Stores out of which one copy should accompany the stores supplied.

That the two copies of the indents presented at the Stores should be completed after issue of the stores and registered in the Stores Issue Book Form N-14.

That the person collecting the stores should sign the Stores copy and the Store-Keeper the copy intended to accompany the stores in token of having received the stores and issued the stores respectively.

That three copies of the Stores Issue Book Form N-14 should be prepared.

That an abstract of Stores Issue Books grouped by

sub-heads of stock and each group classified by works and its sub-heads should be prepared in Form N-16.

That each Sectional Store Holder should prepare separate Stores Issue Books for the different sub-heads of stock daily for the issues, total being carried forward from page to page for an accounting month.

That Sectional Store Holders should prepare also an abstract of the indents supplied for each work and its sub-heads and post it under the proper sub-head of stock in Form N-15.

That Form N-15 should be posted daily from the Stores Issue Book and an abstract in Form N-16 prepared at the close of a month.

That at the close of a month each Sectional Store Holder should submit a set of Stores Issue Books and a copy of the monthly abstract of issues to the Officer who compiles the account of the stock.

That the officer should consolidate all the abstracts in a Monthly Abstract Form for his entire charge to give the values of the stores issued by stock sub-heads, by work and its sub-heads and by the fundamental heads of account.

That one card for tools in Form N-24 should be prepared for each item of plant (Plant Card) and one card for each employee (Personnel Card).

That one corner of the Plant Card should be cut off to distinguish it from the "Personnel Card"

That the Store-Keeper while issuing tools should note down the employees' No. on the Plant Card and the Plant No. on the Personnel Card.

That the Store Price Ledger should be maintained for the reconciliation of receipts, issues and balance of stock.

That the Ledger should be posted from the Stores Received Book and the Stores Issue Book.

That each Ledger should have a few pages at the end reserved for abstracting transactions.

That a copy of the Ledger abstract should be given to the Accounts Branch for financial reconciliation.

That financial reconciliation of Stock Account should be gradually and regularly carried out by one or two sub-heads each month.

That the discrepancy between the Financial Account and the Ledger Account should be adjusted on a pro-rata basis.

That the adjustment of profit and loss should be carried out annually.

That the physical verification of the ground balances and reconciliation of value account of the same sub-heads should be simultaneously carried out in the same month, and that a Perpetual Inventory of Stores be made.

That a detached Store sub-division should be maintained at the site of work, if necessary, subordinate to the main Store.

That the main Store should issue materials to Detached Stores as transfer of stock.

That the Sub-Stores should send a monthly abstract of their own ledgers to the H.O. for reconciliation.

That the Sub-Stores should be kept posted with the revised issue rates for materials.

That there should be a Special Officer set apart for stock-taking.

That stores verification should be carried out according to a programme.

That the Stock Verifier should report also the condition of stores.

That the subordinate incharge of Stores should render all possible help to the Stock Verifier in his work.

That Bin Cards should be brought up-to-date before a section is subjected to a physical check.

That the Stock Verifier should prepare a report of verification in Form N-19.

That the store of an allied nature should be verified at the same time.

That stock-taking should be carried out in the presence of a representative of the Store Holder.

That articles like coal, coke, etc., should be checked by weighing or counting on average sample.

That the verification report should be prepared in quadruplicate.

That the Stock Verifier should initial and date the Bin Cards of the articles checked by him.

That the discrepancies noticed in stock-taking should be carefully inquired into to know the cause.

That the discrepancies should be written off, recovered or adjusted under a proper authority.

That prompt action should be taken to correct the account without delay.

That "Changed Stores" should be indicated as such.

That articles pertaining to the "Returned Stores" should be returned on Form N-17.

That the scraps, empties, etc., should be returned on Form N-17.

That the Central Store Organization should also handle articles of tools and plant.

That the Stores should be located at sites involving minimum carriage, etc.

That lack of space should be avoided by having gangways of the size as necessary only.

That heavier goods should be stored in lower bins.

That there should be at least a four-foot clearance from the roof.

That the articles should be judiciously stored in bins.

That the steel racks should be used with bigger bins at the bottom and smaller at the top.

That adequate arrangements should be made to provide good light in the Stores.

That arrangements to keep off dust should be made.

That the Stores should be protected with wrappers, anti-rust paint, etc.

That the bins should be lettered and numbered at eye-level in letters and figures at least 3 inches high.

The numbers should run from left to right.

That colour should be used for identification of materials, if necessary.

That fire-extinguishers and fire-buckets should be placed at convenient intervals in the Stores.

That fire-fighting squads be formed from among the staff and fire-fighting drills held.

That notice boards prohibiting smoking should be hung at the entrance of the Stores.

That adequate security measures should be adopted by frequent checking and providing overalls, etc., and Store yards well lighted.

That the personnel for the Stores should be given training in the job.

That accounting machines should be introduced in large Stores.

That units for bidding, measurement and payments should conform to a Standard Estimating Practice.

That a Manual should be got out on the Standard Methods of Measurement.

That Estimates should be prepared in detail to enable distribution of cost into elements of work.

That the Estimates should show physical quantities of work also.

That a Unit Price Contract is preferable to all other types.

That the composition of specification of work should be systematic and logical.

That the language of the Contract Document should be free from ambiguities.

That there should be a clause in the agreement invalidating all commitments in relation to the contract from any but legally authorized sources.

That a pre-selection of contractors be based on qualifications.

That the lowest tenders should be accepted from among the pre-selected contractors.

The Project Organization should have the following cells:

1. Cost Engineer.
2. Construction Officer.
3. Construction Engineer.
4. Field Engineer.
5. Chief Store Officer.
6. Administrator.
7. Development Officer.
8. Financial Adviser.

That Flow Diagrams should be used for planning works.

That equipment should be properly planned.



That labour requirements should be planned.  
That a Costing Section is necessary to control costs.

That the Cost System should be flexible.  
That the costing organization should be conversant with the technical aspects of work.

That punctuality in the submission of data should be ensured.

That when exact figures are not available best approximation may be made.

That the Costing Section should be under a competent Cost Engineer.

That each official should keep a diary to record all essentials regarding work under him.

That Daily Reports should be submitted for works, materials, labourers, field repairs and outputs.

That the units of measurement should be the same as the units in the estimates.

That a monthly reconciliation of figures for quantities of work and expenditure be made between the Costing and Accounts Sections.

That Monthly Progress Reports should be prepared in the prescribed forms, giving quantities of work done, unit rates obtained and variations in cost.

That the C.P.W.A. Forms 1 to 6, 13 to 19, 23 to 28, 31 to 32, 39, 42 to 46, 48 to 86 and 88 to 98 should be retained intact.

That the original C.P.W.A. Forms 7 to 12, 21, 22, 29, 35 to 38 may be deleted.

That the C.P.W.A. Forms, 33, 34, 40, 41 should be amended.

That new Forms N-1 to N-39 should be introduced.

That the original C.P.W.A. Form 7—Indents for Stores—should be replaced by a new Form N-13.

That the old Form C.P.W.A. 8—Register of Stock Receipts/Issues—should be replaced by a Bin Card in Form N-10.

That the old Form C.P.W.A. 9 of Abstract of Stock Receipts should be replaced by Form N-11.

That the old Form C.P.W.A. 10 of Abstract of Stock Issues should be replaced by Form N-16.

That the old Forms C.P.W.A. 11 and 12 should be replaced by Forms N-10 and N-18.

That the old Form C.P.W.A. 21 of Muster Roll should be abolished and a system of time-keeping described in Appendix V adopted.

That old Form 23 of Measurement Book should be replaced by Form N-8 of the Stores Received Book in the case of supplies only.

That the old Form 29 of Pay Bill of work-charged establishments should be replaced by a new Form N-23 of Pay Roll.

That the old C.P.W.A. Forms 33 and 34 of Work Abstract should be replaced by a new Form N-34.

That the old Forms of M.A.S. accounts Nos. 35 to 38 be abolished and only a register in Form N-36 maintained with a supplementary register of daily transactions.

That the old Forms 40 and 41 of Register of Work be replaced by the new Form N-35.

That Field Engineers should send their requirements of stores in Form N-1 in duplicate to Construction Engineer.

That the enquiries from supplier be standardized regarding stores and issued on Form N-2.

That the order for supply of stores be issued in the new Form N-3 prepared in as many copies as necessary, at least 6.

That a copy of Purchase Orders issued in Form N-3 should each be supplied to the supplier, officer receiving the store, officer holding the store, ultimate user, Accounts Branch and the sixth used as office copy.

That a consolidated record of all the Purchase Orders should be maintained in a register in Form N-4 by the Procurement Officer.

That a Register of Railway Receipts be maintained in Form N-5.

That prompt action for the disposal of rejected stores should be taken. A Form N-6 Rejection Memo has been proposed.

That a consolidated record of all rejections should be maintained in a register in Form N-7.

That new Form N-8 of the Stores Received Book should be used to record entries of receipts of all stores and that it should be prepared in triplicate by sub-heads of stock in an indelible ink or copying pencil in accordance with the instructions.

That one copy of the Stores Received Book with a necessary Certificate of Verification should be sent to the disbursing officer for making payment and posting of the Stores Price Ledgers.

That the third copy of Form N-8 should be utilized to prepare a monthly Abstract of Stores Received.

That Stores Received Books should be given the same attention and importance as is given at present to Measurement Books.

That a register of Bin Cards issued should be maintained in Form N-9 as a permanent record.

That there should be a Bin Card in Form N-10 for each item of the Stores.

That the new Form N-11 of Abstract of Stores Received be prepared by stock sub-heads.

That the disposal of bills for supplies should be watched through a register in Form N-12.

That stores should be drawn in the new Form N-13.

That the new Form N-14 of Stores Issue Book should replace the old Form 10 and should be prepared by the sub-heads of stock classified by works and their sub-heads.

That each Sectional Store Holder should prepare separate Stores Issue Books for different sub-heads of stock daily.

That each Store Holder should prepare an abstract of Issue Indents in Form N-15 for each work and its sub-heads day to day.

That a monthly Abstract of Issues in Form N-16 should be prepared by the sub-heads of stock from Stores Issue Books.

That for all goods previously issued and required to be returned to the Stores Form N-17 of the Return Note should be urged.

That a Store Price Ledger in Form N-18 should be maintained.

That results of all physical verifications of stores should be reported in Form N-19.

That a programme of physical verification of stores should be maintained in a register in Form N-20.

That a Time Card in Form N-21 should be maintained for each worker.

That a Time Check Sheet in Form N-22 should be maintained by the Time-Keeper.

That payment to workmen should be made on the new Form N-23 of Pay Roll.

That a record of movements of tools should be kept in a Tool Card Form N-24.

That a ledger in Form N-25 should be maintained for each equipment.

That the time for which a machine has worked should be summarized in Form N-26 for the distribution of the cost of jobs.

That a report of daily issue of stores for machines should be reported in Form N-27.

That a daily report of the use of automobiles should be prepared in Form N-28.

That the daily output of machines should be reported in Form N-29.

That the daily output by the manual labour should be reported in Form N-30.

That a statement of the monthly production by machines be prepared in Form N-31.

That a cost report of mass concrete should be submitted in Form N-32.

That estimates should be framed in a new Form N-33.

That the work abstract be prepared in Form N-34.

That a new Form N-35 should be used for Register of Works.

That the Sub-Store Register for stores issued for Materials at Site should be maintained.

That field repairs should be reported daily in Form N-37.

That a daily report of accidents and breakdowns be sent in Form N-38.

That a daily mass concrete report should be sent in Form N-39.

## PLANTATION INQUIRY COMMISSION, 1954—REPORT

Delhi, Manager of Publications, 1956. 994p.

Chairman : Shri P. Madhava Menon.

Members : Shri K. G. Sivaswamy; Prof. M. V. Mathur.

Secretary : Shri T. S. Seshukutty.

### APPOINTMENT

The Plantation Inquiry Commission was constituted under the Ministry of Commerce and Industry vide their Notification No. S.R.O. 1261 dated April 17, 1954.

### TERMS OF REFERENCE

To make a comprehensive enquiry and in particular to:

(a) Ascertain separately the amount of capital, Indian and non-Indian, invested respectively in Tea, Coffee and Rubber Plantations;

(b) Examine the methods of production and the costs of production of Tea, Coffee and Rubber in the different important growing areas in India;

(c) Examine the present methods of financing Tea, Coffee and Rubber Plantations;

(d) Examine the present methods of marketing Tea, Coffee and Rubber including all the factors which affect the price paid by the consumer;

(e) Examine the possibilities of further expansion and development of the Tea, Coffee and Rubber Plantation industries.

On the conclusion of the Enquiry the Commission were required to make recommendations to the Government on the measures necessary:

(a) To secure for the producer a Fair Price for his product and to the consumer a Fair Price for the article he buys;

(b) To enable the provision of necessary finance for the plantation industries;

(c) To ensure suitable marketing arrangements; and

(d) To develop and expand the Tea, Coffee and Rubber Plantation industries.

## CONTENTS

Introductory; General; Geographical Location of the Tea Growing Areas in India; The Structure of the Tea Industry in India; Capital Structure; Maintenance and Up-keep of Tea Bushes; Methods of Production—A Description; Cost of Production of Tea; Higher Productivity and Labour (Section A: External Facilities; Section B: Regulation of Temporary Labour; Section C: Reduction of Labour Turnover and Absenteeism; Section D: Surplus Labour and Employment; Section E: Wage Structure; Section F: Industrial Relations); Transport Supplies and Services; Finance; Marketing of Tea—Primary Sales; Marketing of Tea—Retail Distribution of Tea in India; Consumption and Export; Profits and Their Allocation; Taxation; Plantation Labour Act and Labour Welfare; The Small Producer; Research Training and Advisory Services; Regulation of the Working of Companies; Sales of Tea Estates; Expansion and Development; Summary of Conclusions and Recommendations; Acknowledgments.

## RECOMMENDATIONS

### The Structure Of The Tea Industry In India

In order to provide for a continuous growth of the industry, it is necessary that finance should be made available in sufficient quantities and that the agencies providing the finance should operate with greater flexibility.

We feel that the response of the capital market to debenture issues by tea companies should be favourable. We recommend that tea companies adopt this source of finance for future capital to an increasing extent.

### Maintenance And Up-keep Of Tea Bushes

The tea gardens should be required to lay aside every year a certain sum of money for the purpose of financing programmes of replanting.

The contributions to the fund made by the tea gardens should be allowed as an admissible charge for the purpose of computing income-tax.

In many estates rehabilitation is necessary not only as regards tea bushes but also as regards plant and machinery and other fixed equipment. Some of the gardens are working with old and worn out machinery which affects the quality of the tea manufactured by

them. These old and worn out machinery would require replacement.

We recommend that the Tea Board in consultation with the producers concerned should draw up a programme of phased replanting as well as replacement and renewal of plant and machinery. After such a phased programme has been drawn up, the Government should take steps to ensure that the necessary financial provision for it is made by various gardens before they declare dividends or repatriate profits.

When tea gardens of 100 acres or more are sold, the approval of the Tea Board should be obtained.

### Cost Of Production Of Tea

A well-planned and regular study of Cost Data is necessary for keeping the industry informed about its economic efficiency and competitive position. The Tea Board should, therefore, undertake this function as part of its regular work. A "Cost of Production" Section should be set up in the Tea Board for this purpose. This section of the Tea Board should collect relevant data regarding costs of production from all estates. In order to maintain uniformity and secure better comparability, the forms for cost of production returns should be standardized by the Tea Board with the help of experienced Tea Planters and Chartered Accountants.

### Higher Productivity And Labour

The success of Productivity Schemes primarily hinges on the Inspector at the bottom, his training and his capacity to promote labour-management relations.

An improvement in the working conditions would certainly increase labour productivity.

Rationalization of operations is necessary to increase productivity.

A major part of the success of the industry depends on plucking.

Supplies of tools and implements should be reviewed from the point of view of reducing physical efforts and increasing productivity.

Training of recruited labour should be given priority in every estate.

A Special Committee should devise a uniform set of registers and records.

The Government should enforce a slightly higher wage than the minimum in the case of casual labour so as to include the cost of amenities which resident labour got from the estates.

The possibility of using Employment Exchanges should be explored by the State Governments and employers' organizations.

We recommend that the State Governments in collaboration with the Tea Board and the Tea Industry should have detailed surveys made of the land resources

other than land under tea at present held by the tea plantations and the use to which they are put.

Provision should be made for giving advice on Family Planning to the workers and their families.

Minimum wages should be the same in all States unless they varied on account of differences in cost of living.

A progressively higher rate for overtime hours of work will be an incentive to labour productivity.

#### Transport, Supplies And Services

There is need for keeping the line connecting Dhubri with the Central Dooars secure from breaching as this will keep the alternative river route to Calcutta open even when the rail route is disrupted. This deserves consideration by the Railway authorities.

The requests from the industry that at stations where there are bookings of tea, suitable covered accommodation should be provided to hold the tea awaiting despatch and that only leak-proof wagons should be provided for the transport of tea are reasonable and we recommend that these facilities should be provided.

We recommend that the Excise authorities should consider the possibilities of allowing gardens the facility of having duty-paid godowns where teas can be stored after payment of Excise duty and from which teas can be moved quickly to the rail-head on receipt of information regarding the placement of wagons.

Tea estates in the Darjeeling region may be granted permits for plying their vehicles on the Darjeeling-Siliguri Road for transport of tea and their stores.

The main difficulty regarding transport experienced by the South Indian Tea Industry is with regard to shortage of wagons, especially in the monsoon months. The Railway authorities should consider the request and do what is possible in the matter.

The Tea Board should promote establishment of co-operative organizations for supplying stores.

#### Finance

The Industrial Finance Corporation and State Finance Corporations of the States in which the gardens are situated should meet the need for long-term finance. In the case of Tripura, we recommend that the facilities of the State Finance Corporation of a neighbouring State, either Assam or West Bengal, should be extended to Tripura by necessary amendment of the relevant Act and Rules.

#### Marketing Of Tea—Primary Sales

We recommend that the Tea Board should assume the function of regulating the sale of tea in the Cochin and Calcutta auctions. The rules governing the auction sales and other matters pertinent to the primary marketing of tea should be made by the Tea Board. To

help the Board in performing its functions regarding the regulation of sales it should appoint a Standing Committee.

The Tea Board should look into the question of warehousing and brokerage charges about which complaints have been made.

If in the future the need arises for a centralized warehousing system in Cochin, the Tea Board through the relevant Committee should be responsible for its administration also.

The Quota System should be abolished.

Future regulation of tea exports can be done under the Import and Export Control Act as for other commodities, which are subject to quantitative restrictions for exports.

#### Marketing Of Tea—Retail Distribution Of Tea In India

The differential rates of Excise duties on packaged and loose tea should be abolished and the old uniform rate of duty of three annas per lb. on all teas restored.

We recommend that the Central Board of Revenue should evolve a system by which companies and proprietors having less than 500 acres will be permitted to move their teas from factories on pre-payment of only half the amount of Excise duty provided they undertake payment of the balance within 90 days. The scheme evolved should be a flexible one.

#### Consumption And Export

In order that market expansion may be guided properly and effectively there should be Marketing and Tea Promotion Directorate in the Tea Board which will make studies of various marketing problems in India and abroad.

#### Profits And Their Allocation

Any scheme that may be evolved should incorporate the following essential requirements:

(i) The depreciation allowance by the Income Tax authorities should be separately funded and drawn upon only for meeting expenditure on replacement and renewal of fixed assets.

(ii) The Tea Replanting Fund should be set apart as already recommended.

(iii) After providing for taxation, each company should build out of its profits a Statutory Reserve for meeting development expenditure and unforeseen charges; this Reserve should be kept in a fairly liquid form.

(iv) From what is left over, a certain minimum dividend should be provided for as a percentage on share capital.

(v) The remainder should be divided between the shareholders and labour and staff according to a suitable formula.

## **Taxation**

We recommend that the rates and conditions regarding levy of Agricultural Income Tax on tea plantation in the several States be made uniform. Also the mode of collection will be simplified and duplicate collecting agencies avoided if the Central Income Tax authorities collect both the taxes themselves and pass on the agricultural portion of the collection to the States.

Levy should be abolished.

## **Plantation Labour Act And Labour Welfare**

Government loans should be made available to the plantation industry at rates of interest and terms of repayment as available to other industries under the Industrial Housing Scheme.

The local authorities should not levy any rates or taxes on plantations in respect of conservancy and lighting, etc., unless they are in a position to provide these services in a satisfactory manner.

Wherever the employers have to provide for the maintenance of civic services such as conservancy, water supply, etc., it would be desirable to manage these through committees on which workers are adequately represented. The maintenance of canteens may also be delegated to the same committees with advantage.

A Plantation Labour Welfare Organization may be instituted. This organization should be established and controlled by the Government of India.

In the event of an estate being brought to sale before the phased programme of implementation is completed, we recommend that the State Government should assess the undischarged liability of the seller in regard to his obligations under the Plantation Labour Act and recover such amounts as may be necessary for this purpose from the seller before registering the sale.

## **Small Producer**

When the small holders form co-operative societies, they should be granted assistance somewhat on the lines on which the Government of Ceylon grants loans to the tea growers' co-operative societies.

Voluntary amalgamation of small gardens into larger ones where there is a desire for it would of course be given every encouragement.

## **Research Training And Advisory Services**

The Tea Board should organize in a suitable manner Regional Advisory Committees of representative and influential planters whose help will be available to the Advisory Officer to facilitate his work by securing necessary local co-operation.

The Tea Experimental Farm at Palampur should be transferred to the Tea Board to be developed into a suitable Demonstration Farm to meet the needs of Kangra District. The State Government should transfer the farm to the Tea Board free of charge.

The Tea Board should make necessary arrangements for specialized training of their Advisory Officers in tea culture in collaboration with existing tea experimental stations and agricultural colleges.

## **Regulation Of The Working Of Companies**

Remuneration to staff should take the form of a fixed salary.

An increasing number of Indians be appointed in the Managerial Cadre of tea companies.

It is essential that a system of local audit of the garden expenditure and other branch office expenditure should be insisted upon by the Government in the case of all companies.

## **Sale Of Tea Estates**

If the seller or a prospective buyer so desired, the Tea Board should send its expert evaluators to assess the price of a tea estate. Such evaluations should also be done for the benefit of the Department of Company Law Administration and the Reserve Bank of India, as and when necessary.

## **Expansion And Development**

It would be desirable to continue the machinery provided by the International Tea Agreement so that all problems of the industry concerning production and absorption may be kept under constant and close study by the International Committee and regulations initiated if and when the situation demands it.

It will be necessary for the Government and the Tea Board to have necessary reserve powers to regulate the orderly development of tea cultivation and exports.

# RAILWAY CONVENTION COMMITTEE, 1954—REPORT

New Delhi, Lok Sabha Secretariat, 1954. 21, IIP.

Chairman : Shri M. Ananthasayanam Ayyangar.

Members : Shri C. D. Deshmukh; Shri Lal Bahadur Shastri; Shri R. Venkataraman; Shri Basanta Kumar Das; Shri Satyendra Narayan Sinha; Shri Nageshwar Prasad Sinha; Shri Narendra P. Nathwani; Shri Ram Saran; Shri B. Ramachandra Reddi; Sardar Lal Singh; Shri Tulsidas Kilachand; Shri K. Ananda Nambiar; Shri R. M. Deshmukh; Shri B. C. Ghose; Babu Gopinath Singh; Shri T. V. Kamalashwamy; Shri V. M. Obaidullah Sahib.

Joint

Secretary : Shri S. L. Shakhder.

Deputy

Secretary : Shri V. Subramanian.

## APPOINTMENT

The Convention Resolution of 1949, which was passed by the Constituent Assembly of India (Legislative) on December 21, 1949, *inter alia* laid down that a Committee of the House should review the rate of dividend towards the end of the aforesaid period and suggest for the years following it any adjustment considered necessary, having regard to the revenue returns of the Undertaking, the average borrowing rate of the Government and any other relevant factors. A Committee of both Houses of Parliament was accordingly constituted in pursuance of the following Resolution adopted by the Lok Sabha on May 12, 1954, and concurred in by the Rajya Sabha on May 14, 1954.

“That this House resolved that—

(i) A Parliamentary Committee consisting of 12 members of this House to be nominated by the Speaker be appointed to review the rate of dividend which is at present payable by the Railway Undertaking to the General Revenues as well as other ancillary matters in connection with the separation of Railway Finance from General Finance, and make recommendations thereon by November 30, 1954; and

(ii) That this House recommends to the Council of States to agree to associate six members from the Council with the Committee and to communicate the names of the members so appointed to this House.”

## TERMS OF REFERENCE

The first sitting of the Committee was held on October 1, 1954. At this sitting the Committee drew up the undermentioned list of subjects which they liked to

take up for a detailed investigation with reference to the above Resolution and asked the Railway Board to furnish detailed memoranda:

(i) The future financial prospects of the Railway Undertaking on the basis of the present rates and fares;

(ii) The average borrowing rate of the Government in the recent past;

(iii) Whether it will be desirable to have an Amortization Fund, and, if so, what should be the contribution to the Fund having regard to the actual contribution to General Revenues?

(iv) The rate at which contributions to the Depreciation Reserve Fund should be made to ensure that adequate funds are available for renewals and replacements of Railway assets;

(v) The needs of the Development Fund to meet the demands for amenities to users of the Railways, for Welfare Schemes for Railway staff, for unremunerative developmental work, etc.;

(vi) The rate of growth of the Railway Capital-at-Charge and ways and means of financing such expenditure; and

(vii) The appropriate size of the Revenue Reserve Fund and the demands that may be made upon it.

(viii) New Lines: Should any special concession in regard to payment of dividend be given to Capital invested on new lines so as to encourage the undertaking of the construction of such lines for development purposes?

(ix) Whether the test of remunerativeness of a Project requires revision in the light of the result of the review of the dividend payable.

(x) Whether any alterations in the Rules of Allocation of Railway expenditure introduced in 1950 as between Capital, Revenue and Development Fund are considered necessary in the light of the actual working during the last four years.

(xi) Whether the rate of dividend of 4% on the Capital-at-Charge payable to General Revenues requires to be revised, and if so, what should be the revised rate and how it should be met by the Railways?

(xii) In the event of any difficulty in fixing a new rate of dividend, whether alternative methods of contribution to General Revenues, e.g.,

(a) A small fixed percentage on the Capital-at-Charge, plus sharing of profits after payment of interest, or

(b) Interest on Capital, plus a levy of Income Tax

as on other Government Undertakings together with or without any contribution for investment, fixed or varying, may not be resorted to.

(xiii) Whether the element of over-capitalization in the Loan Capital should be eliminated in keeping with sound commercial practice and, if so, to what extent, and how?

(xiv) Whether any alternative method of financing unremunerative development work is feasible if adequate resources are not available in the Development Fund.

## CONTENTS

Composition of the Railway Convention Committee, 1954; Introduction; Report; Appendix; Summary of the Principal Recommendations of the Committee.

## RECOMMENDATIONS

It would be advantageous from all points of view to express the rate of dividend in terms of a percentage on the Capital-at-Charge and the amount paid annually through a fixed rate of dividend inclusive of the element of interest.

The present rate of dividend should remain unaltered for another period of five years. However, the Committee feel that in the matter of calculation of the Capital-at-Charge and arriving at the total of the dividend payable, some minor adjustments are called for.

The element of over-capitalization should be precisely assessed by the Railway Board and on that portion of the loan capital the Railways shall pay the dividend at the rate equivalent to the average borrowing rate charged by the Government of India to Commercial Departments from year to year.

The dividend on the Capital-at-Charge of new lines should be computed at a lesser rate, viz., the average borrowing rate charged to Commercial Departments and a moratorium should be granted in respect of the dividend payable on the Capital invested on the new lines during the period of construction and up to the end of the fifth year of their opening for traffic, the deferred amount being repaid from the sixth year onwards in addition to the current dividend out of the net income of the new lines.

The annual contribution to the Depreciation Reserve Fund which had been maintained at a level of Rs. 30 crores during the five-year period ending March 31, 1955, should be raised to Rs. 35 crores during the next quinquennium.

The Committee recognize that the appropriation to the Development Fund and the solvency of the Fund are dependent on the availability and the size of the surplus, while the provision for depreciation should be based on the life of the assets, and their replacement on the actual conditions which cannot be deferred, if

their earning potential is to be maintained. They, therefore, feel that the replacement of these assets should bear no relationship to the ultimate loss or gain of the Undertaking but should be met out of the Depreciation Reserve Fund.

The Committee are in favour of extending the scope of the Development Fund so as to include amenities for all "users of Railway transport", such as improvement to goods sheds, loading and unloading platforms, waiting sheds for the trading public, etc., which they consider as absolutely essential and recommend the continuance of the present practice of earmarking a minimum of Rs. 3 crores per annum on this account.

The Railway Board should look into the matter of assessment of rent realized for Railway quarters and ensure that a return of rent more commensurate with the capital cost is obtained on all residential buildings built for Class III staff.

The Committee are anxious that the primary amenity which the Railways must provide is that of safety of travel. They, therefore, desire that the expenditure on Safety Works should be given due priority in any allocations of funds from the Development Fund over the next few years.

The Committee agree with the Railway Board that the distinction of splitting up of expenditure on works between the Development Fund and Revenue for the purpose of allocation is unnecessary. The allocation should be determined as in the case of other works according to the total outlay expected on each work. The expenditure on unremunerative operating improvement works costing more than Rs. 3 lakhs each should be charged entirely to the Development Fund.

The cost of construction of all new lines when decided to be constructed might be debited to Capital from the very beginning.

In the event of the Development Fund not being in a position to meet the programme of expenditure chargeable to that Fund from its own resources, money should be advanced from General Revenues to the Railways for utilization on those projects or Works which are of a developmental nature. Such advances should be treated as Temporary Loans to the Railways and will not be added to the Capital-at-Charge on which 4% dividend is payable annually. The Railways will pay interest on this loan to General Revenues at the average borrowing rate chargeable to Commercial Departments. It shall, however, be open to the Railways to repay this loan in instalments, if necessary, from accretions to the Development Fund in more prosperous years and thus liquidate the debt and the interest liability thereon.

In view of the fact that the annual loss on the working of strategic lines is insignificant, the Committee consider that the suggestion made by the Railway

Board whether the operating loss on strategic lines should not be deducted from the contribution calculated for payment to General Revenues on non-strategic lines should not be pressed for a decision now, but brought up before the next Convention Committee, if the loss on this account is sizable.

The criterion for classifying a project as remunerative should be 5%.

While the Committee agree that amortization would eventually be of benefit to the Railways and the users of Railway transport alike, they agree with the Railway Board that the time is not yet ripe for amortization; they would, however, suggest that this question may be taken up at the time of next revision of the Convention.

The Committee consider that in the present financial prospects, it will be idle either to prescribe any minimum limit for the balance in the Revenue Reserve Fund or to extend its scope so as to include amortization of Capital and this should wait till better days come.

A Parliamentary Committee should review the rate of dividend towards the end of the next quinquennium and suggest for the years following it any adjustment considered necessary, in the light of the situation obtaining then.

It would be enough if the Ministry of Railways submitted a review on the general working of the Railways during these five years to the next Convention Committee for their consideration.

## EXPERT COMMITTEE ON THE PREVENTION OF SLAUGHTER OF CATTLE IN INDIA, 1954—REPORT

Delhi, Manager of Publications, 1955. 84, IIIp.

Chairman : Shri P. N. Nanda.

Members : Dr. K. C. Sen; Shri D. N. Khurody; Shri L. C. Sikka; Shri B. N. Handa; Shri V. R. Rajagopalan; Sardar Santokh Singh.

Secretary : Shri K. P. R. Kartha.

### APPOINTMENT

The Expert Committee on the Prevention of Slaughter of Cattle in India was constituted under the Ministry of Food and Agriculture vide their Resolution No. F. 24-1/54-L. S. dated June 10, 1954.

### TERMS OF REFERENCE

To suggest measures which should be taken:

(i) To prevent the killing of milch cows, particularly in the cities of Calcutta and Bombay even when they had gone temporarily dry;

(ii) To make the present law under the subject more effective so as to put an end to such an evil practice as "Phooka";

(iii) To explore the possibility of making milk powder in suitable centres; and

(iv) To impose some effective control on the inter-State movement of cattle.

### CONTENTS

Preface; Slaughter of Milch Animals in Cities; Past Efforts to Control Slaughter—Historical Retrospects; Position in Greater Bombay; The Problem in Calcutta

City; Position in Madras City; Problem in other Cities; Consideration of Item I in Terms of Reference; Consideration of Item II in Terms of Reference; Consideration of Item III in Terms of Reference; Consideration of Item IV in Terms of Reference; General Problem of Cattle Slaughter in India; Summary of Recommendations; Appendices.

### RECOMMENDATIONS

#### Item 1

The wholesale removal of milch cattle from cities and the replacement of city-produced milk by milk produced by animals kept in their natural surroundings in rural areas is the only permanent method of solving the problem of prevention of slaughter of milch animals.

A comprehensive organization should be set up immediately in each State for efficiently handling the numerous aspects of the complicated matter of developing milk production in rural areas to its maximum capacity and for its collection, processing and transport to and distribution in urban areas.

The milk plan should be worked in the best interests of both the producer in the villages and the consumer in the urban areas so that it may result in a large-scale development of cattle and dairy industries of the country.

The establishment of farms for the salvage of dry



cows and buffaloes and for the rearing of calves, at suitable places, should be part of the colony scheme.

The colony part of the scheme should be financially self-supporting except in regard to the capital outlay, but in regard to salvage of dry animals and the rearing of calves, subsidies should be given by the Government.

Legislation, where necessary, should be enacted to enforce compulsory pasteurization of all milk distributed in cities so that the work of quality control may be effectively enforced.

#### Item 2

To prevent "Phooka", milch cows should be maintained under conditions where their calves can be reared.

The relevant provision in the Prevention of Cruelty to Animals Act should be more effectively enforced.

The rewards offered to the informants, provided in the Act, should be enhanced and made more attractive.

The punishment prescribed under the existing law should also include cancellation of the licence of the offenders for the keeping of milch animals.

#### Item 3

The replacement of export of milch animals from breeding areas by the export of milk powder manufactured there is not considered feasible.

Surveys should be carried out in areas considered to be actual or potential milk pockets in parts of the country like Gujarat, Saurashtra, Nilgiris, Karhal, Jullundur, Sangrur, Aligarh, Darjeeling and Guntur to examine their suitability for the establishment of milk condensing or drying plants, in order to fully utilize seasonal surpluses and to make the country independent of foreign supplies.

Researches should be undertaken on both cow and buffalo milk, produced under village conditions, for investigating the technological and organizational problems connected with drying and condensing.

#### Item 4

As high-quality milch animals have already become scarce in the breeding tracts, the following steps should be taken for their resuscitation to prevent further depletion:

(a) A remunerative market for the sale of milk produced in the breeding areas should be developed.

(b) Export from the breeding areas should be restricted to such cows and she-buffaloes as have dropped at least two calves in the breeding tracts.

(c) The rearing and breeding of high-class animals in the breeding tracts should be encouraged. To a large extent this will automatically follow the full implementation of Recommendation Nos. 1 and 2.

(d) In the selection of breeding stock in the Haryana

tract, more emphasis should be laid on milk rather than on draught alone.

(e) Cattle and buffaloes in the breeding tracts should be registered and the retention of selected high-class stock should be subsidized.

An organization to purchase dry cows and buffaloes from cities and to sell them to the breeders in the breeding tract should be set up by the State Governments in the exporting areas.

#### General Recommendations

Legislation for the prevention of slaughter of useful cattle should be uniform in all States.

A complete ban on the slaughter of cattle would not be in the best interest of the country as it is merely a negative and not a positive approach to the problem.

A full-fledged statistical section should be set up in the Animal Husbandry Department in each State for the regular collection, collation and dissemination of statistical data and other information relating to all aspects of animal husbandry.

In view of the undeveloped state of the potentially large cattle and dairy industries of India, the Central Government should pay much greater attention and take more initiative in the development of these industries than they have done hitherto. It is, therefore, essential that there should be a whole-time member in the Planning Commission to devote his entire attention to the development of cattle and dairy industries in the country.

#### Interim Measures

Until such time as the milk supply of cities can be reorganized in accordance with the foregoing recommendations, the following interim measures should be adopted to arrest further depletion of high-class milch animals:

(a) Stables and cattle in cities must be licensed and movement of cattle allowed only under a permit.

(b) To prevent further growth of city milch cattle population, import of animals should be allowed only on the basis of animals which die or are salvaged or are disposed of under a certificate.

(c) Adequate breeding facilities should be made available free of cost in the cities.

(d) Self-contained salvage and calf-rearing farms should be set up by State Governments.

(e) Maintenance of dry cattle and calves in these farms should be subsidized, and salvage of dry cows and buffaloes should be restricted to high-yielding animals which are in calf.

(f) Selected Goshalas and Pinjrapoles should be helped with additional facilities and funds, where necessary, to enable them to undertake salvage of dry animals and rearing of calves.

(g) The existing method of assessment for levying income-tax should be revised to enable the owners to retain their dry stock without inflating their assets.

(h) Concession in railway freight for return of dry animals and their calves from cities to rural areas should be further liberalized to 25% of the normal freight and should be applicable to all cities instead of to Bombay, Calcutta and Madras only as at present.

(i) Salvage farms should also be set up in the breeding tracts by the State Governments concerned.

(j) An export fee of Rs. 20 per animal exported by rail from a breeding tract should be levied and constituted into a Cattle Improvement and Salvage Fund for defraying the cost of salvage, as well as for subsidizing the retention of basic stock.

(k) The State Governments concerned should set up an organization for purchasing dry cows and buffaloes from cities, transporting them to the breeding tracts and disposing of them there.

(l) The legislation against the slaughter of useful cattle should be made fully effective by making it applicable to the entire State and not only to a part of it, and by the provision of adequate veterinary and police staff.

(m) The provision against sale of contraband beef should be rigorously enforced and fresh legislation enacted where necessary.

(n) Male calves of buffaloes should be excluded from the categories of animals whose slaughter is prohibited.

## RIVER VALLEY PROJECTS TECHNICAL PERSONNEL COMMITTEE, 1954—REPORT

New Delhi, Ministry of Irrigation and Power, 1957. 117p.

Chairman : Shri W. X. Mascarenhas.

Members : Shri B. N. Datar; Shri G. K. Chandiramani; Shri A. K. Char.

Co-opted

Members : Shri N. S. Gupchup; Lt.-Col. J. V. P. Braganza; Shri R. S. Bastur.

Secretary : Shri Ripudaman Singh.

### APPOINTMENT

The River Valley Projects Technical Personnel Committee was constituted under the Ministry of Irrigation and Power vide their Resolution No. 24(14)/54-Adm. dated July 10, 1954.

### TERMS OF REFERENCE

The Committee was asked to visit the River Valley Projects under construction in the country and, after studying the various factors affecting the requirements of technical personnel, to make recommendations on the following:

(i) The strength of the technical and accounts personnel of various categories required for the planning and execution of River Valley Projects and Flood Control Schemes, proposed to be undertaken in the country during the next 15 years, including those already under execution, and of the operational personnel required after their completion.

(ii) The steps that must be taken in order that the theoretical and practical talent necessary to meet the requirements under (i) above is forthcoming in this

country and specially that the higher planning staff, capable in due course of assuming positions of the highest trust and responsibility, is progressively trained for the purpose.

(iii) The means of securing the co-operation of universities and professional institutions and service organizations, e.g., the Corps of Army Engineers, in the training of personnel for the Projects.

(iv) The extent to which the assistance of foreign experts and technicians will be necessary and the agencies through whom such assistance should be secured.

(v) The procedure to be followed in securing liaison and co-ordination between the various States *inter se* and between the States and the Central Government in the employment of available personnel in the best interests of the country.

(vi) Ways and means of improving efficiency and raising the morale of the engineering services of the Central and State Governments, with special reference to the Irrigation and Power Cadres.

The Committee was requested subsequently to include within the scope of its inquiry the question of facilities already existing for the training of personnel for handling various types of machinery and plant on the River Valley Projects.

### CONTENTS

Introductory; Retrospect and Prospect; Assessment of Demand; Officer Personnel and Their Recruitment; Post-Recruitment Training; Departmental Organiza-

tion and Efficiency; Foreign Experts; Miscellaneous; Summary of Conclusions and Recommendations; Appendix I to VIII.

## RECOMMENDATIONS

In the vast majority of cases, the country's demands could be more conveniently and economically met by a large number of medium-sized projects than a small number of gigantic size.

Mobility of the various categories of personnel required for River Valley Projects excepting graduate engineers is, generally speaking, limited.

To meet partially the large demand for overseers short-term functional training should be organized for "Technical Assistants"

It will be necessary to turn out about 2,200 Technical Assistants (Civil) and 550 Technical Assistants (Electrical and Mechanical) per year for the two years 1957-58 and 1958-59.

The new category of Technical Assistants may be continued on a permanent basis in partial replacement of Diploma-holders if the experience justifies it.

Technical Assistants should be trained at the rate of 400 Civil and 250 Mechanical and Electrical per year during the years 1959-60 and 1960-61. During the Third Five Year Plan period (1961-66), 400 Civils and 250 Mechanicals and Electricals per year would require to be trained.

Training facilities for Mechanical and Electrical Assistants must be very widespread. Training centres should be set up at the project headquarters or near the sites of works.

A uniform duration of four years for courses leading to an engineering degree recommended by the Joint Committee of the All-India Council for Technical Education and the Inter-University Board should be adopted.

For post-graduate degrees, the courses should aim at depth rather than breadth.

To raise the standard of technical education, the Government should loan the services of experienced officers to serve as teachers in engineering colleges, particularly in the fields of irrigation and power engineering, where experience is almost exclusively restricted to Government engineers.

More time and attention should be devoted to the study of Social Sciences, Industrial Psychology, Labour Relations, etc., in the undergraduate engineering courses.

The two Cadres for Irrigation and Roads and Buildings should be separated and there must be specialization and research within the Cadres.

An All-India Service of Irrigation and Power Engineers should be created.

Officers should be encouraged to take post-graduate courses and to specialize in particular fields.

All engineers should be required to take refresher courses at periodical intervals, say, every five or seven years and these courses should be organized either in the individual States or on an inter-State basis or even by the Central Government.

Seminars and conferences should be held once in two years and attended by only selected persons, the subjects discussed being strictly limited.

A Staff College should be established for the study of socio-economic, administrative and practical aspects of planning and execution of big projects.

Every State should have a Research Station of its own.

The Hydro-Dynamical Research Station at Khadakvasla should be constituted into a National Laboratory on a par with the other National Laboratories in the country; it should confine itself to purely hydro-dynamical problems. Other work should be carried out only in an ancillary capacity.

The friction between Engineers and Administrators, especially Officers of the Revenue Department, at District and Divisional levels, must be eliminated by a clear recognition by the administrators that co-ordination does not mean subordination.

Our first need is to build up a planning and construction organization for River Valley Projects on a comprehensive and rational basis.

Zonal Development Organizations each covering one or more complete river basins as far as possible are the best solution in the existing circumstances.

A Central Organization to co-ordinate the work of the Zonal Authorities would be necessary and the Central Water and Power Commission could fill this role.

As the idea of Zonal Development Authorities develops the Central Water and Power Commission should progressively restrict its activity to that of a "Brain Trust" for the country.

The Central Board of Irrigation should act as a high-power consultative body which could review not only irrigation development in the country but also discuss the irrigation and power policies of the Government.

For so long as we do not produce heavy electrical and mechanical plant and equipment in this country and such equipment is imported, the advice of foreign consultants in regard to its use may be necessary.

There should be no need in future to recruit foreign executives or technicians for actual employment in this country.

Retired engineers of proven ability should be invited to join panels which could be consulted whenever

problems of which they have had personal experience arise.

Every State Government should establish a proper Statistical Section for collecting and analysing statistical data relating to Irrigation and Power Projects.

Released Army personnel may be employed as Instructors in Training Centres in the use and maintenance of heavy earth-moving machinery.

A Cadre of Surveyors of Works may be created with a view to enabling engineering officers to concentrate as far as possible exclusively on technical matters.

The Government should boldly announce a new charter for engineers under which they should be appointed to Secretariat posts in Government administration, including that of Secretary to Government, managerial posts in public corporations, chairmanship of Port Trusts, Improvement Trusts, etc., in short, all those posts which can, with advantage, be held by persons with a technical background. In other words, engineers should be free to aspire to fill the highest posts in the country's service and not be restricted, as at present, to their own strictly professional field for preferment in office.

## COMFORT SURVEY COMMITTEE ON LOW COST HOUSES, 1954—REPORT

New Delhi, Ministry of Works, Housing and Supply (National Buildings Organization), 1957. 146p.

Chairman : Lt.-Gen. H. Williams.

Members : Shri H. D. Awasty; Shri J. M. Rijhwani;  
Shri C. B. Patel; Shri H. C. Vijh; Sardar  
Sarup Singh; Shri K. L. Aggarwal.

Secretary : Shri K. Rama Varman.

### APPOINTMENT

The Comfort Survey Committee on Low Cost Housing was constituted under the Ministry of Works, Housing and Supply (National Buildings Organization), in August, 1954.

### TERMS OF REFERENCE

To study the different methods in the designs adopted by the International Low Cost Housing Exhibition, 1954.

### CONTENTS

Part A: Introduction; Size of Plots; Orientation of Buildings; Architectural Treatment; Standards of Accommodation and Planning of Space; Foundation; Damp Proof Course; Termite-Proofing; Superstructure; Ceiling Heights; Roofs; Doors and Windows; Plastering; General Remarks; Appendices I to V; Part B: Introduction; Design Requirements; Work Done Abroad; Thermal Investigations; Thermal Properties of Surfaces; Ventilation; Day Light Illumination; Dampness Penetration; Minimum Ceiling Heights; Tentative Recommendations; References; Tables and Figures.

### RECOMMENDATIONS

In orienting a building two factors are of consideration— isolation and ventilation—and at times these give conflicting indications. For climates as in Delhi the mean wind direction in the afternoon during the monsoon should guide the orientation, a thermally sound roof taking care of the isolation.

The heating effect of the sun on a building with faulty orientation can be remedied by attention to the roof and by an intelligent use of *chhajjas* and shady trees.

Closable ventilators should be provided at ceiling level; permanent ventilators should, as far as possible, be avoided.

Heat capacity plays an important role in deciding the thermal performance of a building.

Where no artificial cooling aids are used, thermal diffusivity plays an important part; thermal conductivity alone is not so important.

As far as thermal comfort is concerned, the roof is the most important component of a building and it should on this account receive special attention.

The ceiling temperature can be brought down considerably by whitewashing the exposed surface of the roof.

A roof of built-up thickness of  $6\frac{1}{2}$  in. or more consisting of R. C. C. or reinforced brick work with or without mud-phuska, lime, concrete, etc., gave satisfactory results (due to moisture penetration, roofs of reinforced brick work have deteriorated after a time

and their use is not generally recommended). R.C.C. roofs up to a thickness of 4½ in. and store roofs should not be used without some insulation. A.C. sheets, G.I. sheets or Mangalore tile roofing should not be used without a false ceiling.

Nine-inch brick walls in cement, lime or mud mortar with ½ in. plaster on both sides afford adequate thermal protection. Eight-inch hollow blocks of concrete or gypsum are not thermally adequate.

White, cream, biscuit and similar light-coloured washes are thermally desirable for exterior surfaces.

Cement wash, red and similar deep-colour washes should be avoided.

Where mud is used as an insulating material a waterproof rendering should be used on the roof.

When using precast roofs, special care is necessary to avoid dampness penetration at the joints.

Corrugated A.C. and G.I. sheets, if properly laid, may be relied upon as roofing materials.

Cavity walls and hollow-block walls can be safely depended upon.

Four-and-a-half-inch-thick brick walls, even of first class bricks and with rendering on both sides, have leaked and cannot be trusted.

Nine-inch brick walls with plaster on both sides have given satisfactory results in the Delhi climate, but may not be adequate in very exposed locations.

It is not sufficient to prescribe only the window area as a percentage of floor area. The distribution is also important and should be indicated.

When deciding the location of windows the mean monsoon wind direction during the afternoons should be the guiding factor. The effect of faulty orientation may be remedied to some extent by suitably locating the windows.

From the point of view of ventilation the width of a window is more important than its height.

The openings required for adequate ventilation generally produce adequate illumination conditions indoors.

From the illumination point of view the height of the window is more important than its width.

Little difference was noticed in the indoor temperature of four identical rooms of 12 ft. by 10 ft. and with ceiling heights varying between 8 ft. and 11 ft. and in four other identical rooms of 11 ft. 6 in. by 9 ft. 6 in. and with ceiling heights varying between 7½ ft. and 12 ft.

## COMMITTEE FOR THE PREVENTION OF CRUELTY TO ANIMALS, 1954—REPORT

New Delhi, Ministry of Food and Agriculture (Department of  
Agriculture), 1957. 383p.

Chairman : Shri V. K. Krishna Menon (resigned,  
replaced by Shri V. B. Gandhi).

Vice-

Chairman : Shrimati Rukmini Devi Arundale.

Members : Dr. M. D. D. Gilder; Shri Kakasaheb Kalelkar; Prof. N. R. Malkani; Shrimati Lakshmi N. Menon; Shri Dewan Chand Sharma; Dr. Syed Mahmud (resigned, Pt. Munishwar Dutt Upadhyaya was replaced and he also resigned and Shri Krishna Chandra was appointed in his place); Shri G. Srinivasa Murty; Dr. K. Mitra; Dr. P. Subbarayan; Shri G. R. Rajagopal; Shri Ahmed Mohiuddin; Shri R. L. Kaura.

Secretary : Shri R. L. Mehta.

### APPOINTMENT

The Committee for the Prevention of Cruelty to Animals was constituted under the Ministry of Food

and Agriculture (Department of Agriculture) vide their Resolution No. F. 2-136/53-PC. II dated August 16, 1954.

### CONTENTS

Introductory; Cruelty to Animals Generally and Growth of Legislation for the Prevention of Cruelty to Animals in India; Experimentation of Animals; Slaughter of Animals; Animal Sacrifices; Animal Sport; Performing Animals; The Keeping or Confining of Animals; Transport of Animals; Export and Import of Animals; Animal Welfare in General; Summary of Conclusions and Recommendations; Note Received from Shrimati Rukmini Devi Arundale; Appendices.

### RECOMMENDATIONS

#### Experimentation On Animals

The legislation to be undertaken may envisage the constitution of a Committee of 15 persons. The Central Government will nominate: (i) two representatives

of each of the three Councils, viz., the Indian Council of Medical Research, the Indian Council of Agricultural Research and the Council of Scientific and Industrial Research; (ii) two persons to represent Universities in India; and (iii) five non-officials actively interested in animal welfare work. The remaining two persons will be members of Parliament of India. The Committee shall lay down rules, which shall be binding on all persons and institutions carrying on experiments on animals, so as to ensure that:

(a) Experiments are performed in any institution on the responsibility of the person in charge of the institution, and if they are performed outside an institution, the individuals performing them are fully qualified and assume full responsibility therefor;

(b) As far as possible, experiments involving operations are performed under the influence of some anaesthetic of sufficient power to prevent the animal feeling pain;

(c) No experiments are conducted:

(i) as an illustration of lectures, except when it is absolutely necessary, and

(ii) merely for attaining manual skill;

(d) Experiments on larger animals are avoided when it is possible to achieve the same results by experimenting upon small laboratory animals like guinea-pigs, rabbits, rats, etc.;

(e) Animals are properly looked after both before and after experiments; and

(f) Suitable records are maintained about the experiments performed.

The Committee shall have powers to inspect any institution engaged in animal experimentation to satisfy itself that its rules are being properly observed. Any violation of the rules shall render punishable the person in charge of the institution in which the breach has occurred or any other person (if the breach has occurred outside an institution), the punishment being a fine extending to Rs. 200.

#### Procurement, Housing, Breeding And Care Of Experimental Animal

The housing as well as breeding of experimental animals should be done, as far as possible, under natural conditions. Proper care should be observed in the disposal of animals after experimentation.

#### Alternatives To Animal Experimentation

Special efforts should be made to develop suitable alternatives to animal experimentation. To the extent that the systems of medicine other than the modern system need not rely on animal experimentation they deserve encouragement.

#### Slaughter Of Animals

Animals should be provided with food, water and rest at regular intervals during transit to slaughter-houses.

Pens or lairs should be large enough to accommodate comfortably the animals brought for slaughter; they should be well-paved, well-drained, properly ventilated and lighted. There should be adequate arrangements for the supply of food and water.

For proper ante-mortem inspection whole-time Veterinary Surgeons and other trained staff should be employed and slaughter-houses should be constructed on scientific lines. Uniform procedures should be laid down by Municipalities for the guidance of Meat Inspectors in their inspection work. Special legislation may have to be enacted, making it obligatory on Municipalities to effect these improvements.

#### Conservation Of Modern Slaughter-Houses

As the establishment of a sufficient number of modern slaughter-houses in the country will take a considerable time, a beginning may be made in this direction by setting up model slaughter-houses in big cities. Central and State Governments should consider providing suitable financial and technical aid to Municipalities for this purpose.

#### Humane Methods Of Slaughter

A law may be passed providing for the adoption of humane methods of slaughter in general terms, i.e., for the adoption of mechanical, electrical, chemical or other means which are found to be rapid, effective and humane.

#### Municipalization Of Slaughter-Houses

For the proper enforcement of municipal regulations and to enable improvements to be made in slaughter-houses, it is recommended that municipalities should assume complete control over all operations relating to the slaughter of animals from the pre-slaughter stage to slaughter, flaying or skinning of carcasses, etc. Further, the income derived from slaughter-houses should be spent on effecting improvements in slaughter-houses instead of being treated as part of the General Revenues of Municipalities.

#### Model Rules For Regulation Of Slaughter-Houses

Municipalities in India should adopt the Model Rules for the regulation of slaughter-houses to the maximum possible extent, depending on local conditions, and enforce them strictly.

Women and children should not be allowed under any circumstances to enter slaughter-houses nor should they be employed in any operation connected with a slaughter-house.

"Visitors" including public men should be nominated by Municipalities to visit slaughter-houses to ensure that Municipal regulations are fully observed.

#### Animal Sacrifices

The sacrifice of animals, including birds, to propitiate a deity should be banned by legislation. To achieve this, widespread educative propaganda is essential.

#### Animal Sport

The existing game laws should be strictly enforced and to that end the requisite administrative machinery should be set up.

Game licences should be issued with utmost caution. They should be granted only to those who produce certificates of proficiency in handling guns, rifles, etc., and in shooting at moving targets. Every licence should be accompanied by a pamphlet which should highlight the important provisions of game-laws, give information on the proper use of weapons and regarding the choice of arms and ammunition for shooting different classes of wild animals and birds and other necessary details.

As the use of traps and snares almost invariably causes suffering to the captured animal, it is necessary that only such traps are allowed to be used the design of which has been approved by a competent authority.

#### Capture And Training Of Elephant

The stockade method for capturing elephants is the least objectionable and should gradually replace the pit method. All precautions should be taken to avoid suffering involved in the capturing of elephants.

#### Crop Protection Licences

The question of abuse of such licences may be considered. One suggestion is that instead of issuing such licences to individual agriculturists, some kind of a Crop Protection Corps may be created for killing animals in the areas where they have become a menace to crops.

#### Game Sanctuaries

Game Sanctuaries and National Parks should be set up all over the country.

#### Publicity And Propaganda

For this purpose, increasing use should be made of documentary films, radio broadcasts, Press and other means of publicity and propaganda.

#### Performing Animals

Circuses of performing animals may continue subject to regulations.

#### Street Performances

Street performances should be licensed and adequate supervision and control exercised on the proper health and maintenance of animals by subjecting them to periodical inspections, so that any cruelties involved may be prevented.

#### Animal And Bird Fights

Such fights should be prohibited by law.

#### Keeping Or Confining Animals In Municipal Market

Confinement of animals in Municipal markets should be regulated by comprehensive rules to be prescribed and enforced by Municipalities.

#### Khatals

Highest priority should be given to the implementation of Cattle Colonization Schemes so as to cover all the big and densely populated cities of India. Meanwhile, urgent steps should be taken to improve the existing conditions in Khatals. They should be licensed and controlled by Municipalities.

#### Keeping Of Pets

The selling and keeping of pets should be licensed by Municipalities. It should be made obligatory on the sellers of pets to supply booklets to the buyers containing all necessary information about the habits and the way of life of the pets sold.

#### Zoos

The zoos in India should be reorganized on scientific lines keeping in view the need to provide natural habitat to animals.

#### Transport Of Animals By Rail

Animals should be transported in wagons specially constructed for the purpose. There should be adequate arrangements for the provision of food and water during transit. Loose-shunting of wagons containing animals should be strictly prohibited. Animals should not be allowed to be transported during hot months.

#### Transport By Road

Animals should be transported only in vehicles suitably designed for this purpose and there should be no overcrowding. Wells or small tanks should be constructed at suitable distances on roads so that animals can get water when thirsty. The carrying of animals and birds in unnatural positions should be prohibited.

#### Export Of Monkeys

The Government should exercise stricter control at the various stages of export trade. There should be a

comprehensive system of licensing of the trapper, animal dealer, exporter and carrier and the licence should specify all conditions to ensure humane treatment. Inspectors should be appointed for enforcing the licensing provisions and deterrent penalties imposed for breaches.

#### **Export Of Wild And Other Animals And Birds**

The Government should undertake legislation more or less on the lines of the U.K. Animals (Sea Transport) Order of 1930 to regulate the loading and unloading of animals and their transport by our ships.

#### **The Problem Of Stray Animals**

The conditions prevailing in the cattle pounds should be improved with regard to housing, feeding, watering, protection from exposure to weather and veterinary treatment.

#### **Gosdhalas And Pinjrapoles**

Gosdhalas should also accept other old and useless animals besides cattle; failing this, institutions may be established where under Government or private auspices useless and decrepit animals other than cattle can be housed. Every encouragement should be given to pinjrapoles which admit all kinds of animals in addition to cattle.

#### **Castration Of Animals**

The use of Burdizzo Castrator should be popularized.

#### **Specific Measures To Ameliorate The Condition Of Beasts Of Burden**

Municipalities and S.P.C.A.s should construct sheds and water troughs at suitable distances.

All States should maintain an adequate number of mobile vans which may go into villages, treat sick and wounded animals on the spot and carry on educative propaganda among villagers.

Municipalities should introduce a system of hire-purchase so that even the poor cart-driver may be enabled to purchase pneumatic tyres for his cart.

#### **Reorganization Of S.P.C.A.s In India**

The S.P.C.A.s should be manned by sincere and honest persons. Their constitution should be so amended that at least the Secretary and half of the Members of the Managing and Executive Committees are nominated by the Government. The Secretary should be an official of the Animal Husbandry Department.

#### **Need For Humane Education**

An "Animal Welfare Week" should be observed throughout the country. During this week all available means of publicity and propaganda should be made use of to arouse public consciousness.

There is no limit to the imparting of humane education but the actual textual education for the purpose may be continued at least up to the Matriculation standard. Lessons on kindness to animals stressing the advantages of treating them humanely may be included in the text-books prescribed for children. Interesting stories on the subject may also be included.

#### **Animal Welfare Board**

An Animal Welfare Board should be set up at the Centre, with its counterparts in States, for giving an over-all advice to the Government as well as humanitarian organizations on problems of animal welfare.

## **AD HOC COMMITTEE FOR EXTERNAL MARKETING, 1954—REPORT** **Ernakulam, Coir Board, 1955. 47, XXIXp.**

#### **Chairman &**

**Convener :** Shri K. Narayana Menon.

**Members :** Shri R. Krishna Aiyar; Shri T. M. Antony; Shri C. T. Jacob; Shri N. Kunjuran; Shri H. Smith; Shri Revi Karunakaran; Shri J. Murukandi; Shri K. Raman; Shri J. L. White; Shri K. Kesavan Nair; Shri B. Bueler; Shri T. V. Thomas; Shri T. K. Divakaran; Shri B. V. Abdulla Koya.

#### **APPOINTMENT**

The Ad Hoc Committee for External Marketing was

constituted under the Coir Board on August 20, 1954.

#### **TERMS OF REFERENCE**

The Committee was directed to enquire into and advise the Coir Board on the policy to be adopted and the steps to be taken in furtherance of that policy by the Board in carrying out the functions assigned to it under Sections 10, 12 and 13 of the Coir Industry Act. These functions, in relation to external marketing, particularly, are:

(i) Promoting exports of coir yarn and coir products, and carrying on propaganda for that purpose—Section 10(2) (a);



(ii) Licensing exporters of coir, coir yarn and coir products—Section 10(2) (b) and Section 12;

(iii) Improving the marketing of coir fibre, coir yarn and coir products in foreign countries and preventing unfair competition—Section 10(2) (f);

(iv) Licensing of warehouses and otherwise regulating the stocking and sale of coir fibre, coir yarn and coir products for exports—Section 10(2) (i);

(v) Control of export of coir fibre, coir yarn and coir products—Section 12;

(vi) Imposition of a duty of Customs on export of coir fibre, coir yarn and coir products—Section 13.

## CONTENTS

Introductory (Preliminary; Terms of Reference; Questionnaire; Scope of the Report); Coir Fibre; Coir Yarn (India's Export Trade; Coir Yarn Exports; Need for Market Survey; Price Movements; Coir Yarn and other Industrial Fibres; Diversification of Exports; Licensing; Warehousing; Standardization of Qualities); Coir Mats and Mattings (History of the Trade; General Review of Exports; Present Condition of the Trade—Price Cutting and Wage Reduction; Effects of Uneconomic Competition; Licensing System; Difficulties of Export Trade—Tariffs and Import Restriction; Competition from other Manufacturing Countries; Measures for Development of Foreign Markets; Co-operative Marketing); Summary of Recommendations; Appendices (Questionnaire); List of those who sent answers to the Questionnaire; Shipment of Coir Fibre from Alleppey, Cochin, Calicut and other Malabar Coast Ports; Shipments of Coir Yarn from Alleppey, Cochin, Calicut and other Malabar Coast Ports; Price of Coir Yarn (Superior Anjengo) at Alleppey Ex-Warehouse per ton, Baled Weight Basis; World Production of Hard Fibres; Shippers of Coir Yarn Bales from Alleppey and Cochin; Shippers who have been Shipping Coir Yarn Regularly before and after the War (in Bales); Shipments of Mats, Mattings, Rugs and Carpets from Alleppey, Cochin, Calicut and other Malabar Coast Ports; Comparative Statement of New Shippers and number of Shippers dropping out between 1929-38 and 1949-54; Distribution of Shipments amongst Shippers of Coir Mats, Mattings and Rugs from Alleppey and Cochin; Scheme for Licensing of Exporters and Exports of Coir Products (Excluding Ropes); List of Import Duties in Foreign Countries; Decisions of the Coir Board on the Recommendations of the Committee for External Marketing.

## RECOMMENDATIONS

The Committee recommends that the position of export of coir fibre and the end uses of fibre should be carefully watched by the Coir Board and periodically

examined. With a view to enabling the Board to watch the situation carefully and exercise control, if it becomes necessary, all exporters of coir fibre should be licensed by the Board and no export should be permitted except under a licence issued by the Board.

It is said that coir fibre does not easily lend itself to be spun into yarn by a mechanical process. It must be one of the duties of the Research Department of the Coir Board to examine this position.

No exhaustive study has been made by India as a producing country in the end uses of coir yarn and the Committee recommends that an early marketing survey in the consuming countries be made.

There is no precise information as to how much of coir yarn in importing countries is used for industrial purposes such as manufacture of floor coverings and ropes. The Committee recommends that a market survey should be undertaken immediately. A delegation of the Board visiting those countries would be most useful. An endeavour may first be made through existing trade organizations of the Government of India to collect the necessary data.

It is understood that the United Kingdom and the Continental countries obtain East African sisal as fibre and spin it into yarn, and the spinners, by agreement, seem to be fixing the price of East African sisal yarn both in the United Kingdom and Continental countries and such agreement seems to have enabled spinners to secure reasonable profits. The Committee recommends an investigation being made into this matter so that the results of the investigation may be utilized in the coir trade for introducing any measure of voluntary price agreement.

Ceylon can develop into a potential rival to the coir industry in India.

A diversification of the export trade is calculated to make for stability in that sector and for this purpose more and more people capable of doing a fair amount of business should be given facilities to enter the trade. The Committee recommends that the Coir Board should vigilantly watch the trend of exports of coir yarn, and if this trend does not indicate a tendency towards progressive diversification, the Board should take immediate steps to regulate the exports in whatever manner it thinks fit.

The development of Central Co-operative Marketing Societies can exert a very wholesome influence upon the quality of yarn and also on the price stability as the Central Marketing Societies would form the apex of a system of several co-operative societies for the production and marketing of yarn. The Committee strongly recommends to State Governments interested that they should render every financial aid both for the capital outlay and for working capital, if existing funds are found to be insufficient.

Exporters and exports of coir yarn should be licensed in the same manner as is contemplated in the scheme recommended in the case of coir products, subject to necessary modifications regarding ownership of a factory by shippers. The fees for licensing should be the same as in the case of export of coir products.

The Committee is in general agreement with the recommendation of the Ad Hoc Committee on Coir Yarn regarding establishment of licensed warehouses. The Committee however thinks that fundamental changes have to be made in the method of production, in grading, etc., before it would be possible to introduce a compulsory licensed warehousing system. Otherwise compulsion might result in confusion in the trade with no advantage either to the primary producer or the final exporter.

Exporters of coir yarn may have their own trade marks; but they must have relation to the standardized qualities. If a scheme for this purpose is evolved, along with standardization of coir yarn, the marketing of coir yarn in foreign countries is bound to be facilitated and beneficial to the industry. The Committee recommends a closer examination of this subject.

Since opinion is unanimous that proper organization of the export trade is necessary, the Committee has gone into the methods by which this can be best secured, and has prepared an elastic scheme of licensing of exporters and exports of coir products (excluding ropes). Adoption of the scheme by the Board and immediate action thereon are recommended.

In view of the existing condition of backwardness of areas like Malabar in the matter of manufacture of coir mats and mattings, the Committee considers that exemption may be granted to such areas from provisions in the scheme relating to registration of new exporters and renewal of licences.

Most importing countries have imposed high tariffs against entry of coir mats and mattings. Coir yarn, however, is allowed import free of duty or at nominal duty. The Board should collect full information regarding the scale of duties or restrictions imposed on import of coir and coir products in various countries from time to time.

The Continental countries have been importing large quantities of yarn and almost all yarn imported is used for the manufacture of mats and mattings. The Committee recommends that the Government of India should immediately take the strongest possible line when negotiating Trade Agreements with such countries as Holland, Germany, France and Belgium with a view to ensuring that these countries would permit import of at least 25% on a weight basis of coir mats and mattings in proportion to the coir yarn which these countries import. If, however, these countries refuse to co-operate with India, action should

then be taken to regulate the exports of coir yarn to those destinations by suitable steps.

Coir mats and mattings have not lost ground because of quality. It must, however, be stated that there is ample room for improvement of quality and Indian coir products should be brought up to the standards reached in the U. K., Germany and Holland.

No organized attempt has hitherto been made by the industry as such in foreign markets for advertisement and propaganda. With effective advertisement and propaganda India's markets in foreign countries could be developed very considerably. A study of the foreign markets and a close market survey are an essential preliminary to any organized scheme of advertisement and propaganda. The manner of advertisement and propaganda would vary with the requirements of each market. No hard and fast rule could be laid down as to the lines which advertisement and propaganda should follow. It is recommended that advertisement and propaganda in foreign countries must be handled by experts in the line and that the Coir Board should take urgent and suitable action in this regard.

When the Coir Board has organized itself fully and made arrangements for advertisement and propaganda, it should issue an attractive bulletin which would contain all necessary features about the coir industry in the same way as bulletins appear in foreign countries in respect of other floor coverings.

The Committee is in full agreement with the recommendations regarding standardization of quality and on designs and planning contained in the report of the Ad Hoc Committee for Coir Products.

Manufacturers of coir mats and mattings in India are at a disadvantage as compared with the manufacturers of mats and mattings in those countries which import coir yarn and manufacture it into mats and mattings because of the rates of freight levied on coir mats and mattings as compared to those on coir yarn.

Apart from the question of the difference between the freight on coir mats and mattings and the raw material, the Committee finds that the present rate of freight is itself very high.

Coir yarn and coir mats and mattings are in no way at a disadvantage in relation to freight rates on jute goods.

The organization of a Central Marketing Society could be of immense benefit not only to the exporters but also in bringing about a solution for the unhealthy competition amongst the manufacturers and shippers. The possibilities of organizing a Central Co-operative Marketing Board for coir mats and mattings should be carefully studied, which is strongly recommended by the Committee.

# AD HOC COMMITTEE FOR HUSK AND FIBRE, 1954—REPORT

Ernakulam, Coir Board, 1955. 15p.

Chairman : Shri K. Narayana Menon.

Vice-Chairman

and

Convener : Shri N. Kunjuraman.

Members : Shri K. V. Nanu; Shri V. K. Kumaran;  
Shri R. Janardhanan Pillai; Shri S. C.  
Roy; Shri P. K. Dewar; Shri N. Narayana  
Kurup; Shri B. M. Peter; Shri A. P.  
Raman; Shri Kochu Pillai; Shri V. K.  
Purushothaman.

## APPOINTMENT

The Ad Hoc Committee for Husk and Fibre was constituted under the Coir Board on August 20, 1954.

## TERMS OF REFERENCE

To enquire into and advise the Coir Board on the policy to be adopted and the measures necessary for carrying out the policy in respect of the following functions assigned to the Board under Section 10 of the Coir Industry Act:

(i) Regulating under the supervision of the Central Government the production of husk and coir fibre.

(ii) Fixing grade standards and arranging when necessary for inspection of coir fibre.

(iii) Promoting co-operative organization among producers of husks and coir fibre.

(iv) Ensuring remunerative returns to producers of husks and coir fibre.

(v) Licensing of the retting places.

At the meeting held on August 21, 1954, the scope of enquiry for the Committee was discussed and it was decided that it should include:

(a) Collection of statistical data regarding total production of coconut husk in India and the percentage of husk used for retting and extraction of fibre; the various uses to which husk is put in different States; investigation of the different methods of retting in different places, etc.

(b) Formulating proposals for improved methods of retting and artificial methods of retting where natural facilities are not available.

(c) Consideration of licensing of retting places.

(d) Investigation of the different kinds of fibre produced, grading such fibres, and to define minimum standards for them.

(e) Examination of the scope and advantage of co-operative organization among husk retters and producers of fibre, and appraisal of the results so far

achieved by the Coir Co-operative Scheme working in Travancore-Cochin State.

(f) Formulating proposals for remunerative return to husk retters and producers of fibre and examination of the desirability of introducing minimum wages in the industry.

## CONTENTS

Introductory; Scope of Enquiry; Availability of Husks; Retting Facilities; Extraction of Fibre; By-Products; Co-operative Organization among Producers of Husk and Fibre; Coir Minimum Wages and Its Reactions; Price Control of Husk; Relationship Between the Prices of Husk, Fibre and Yarn; Competition from Other Fibres; Export of Fibre; Standardization and Grading of Fibre; Collection of Statistical Data; Summary of Conclusions and Recommendations; Appendices.

## RECOMMENDATIONS

Reliable information regarding the extent of husk used for extracting fibre in India and other uses to which husk is put is not available. For considering measures for developing the coir industry, it is essential to have such statistics relating to the above. The Statistical Section of the Coir Board should take up this matter.

The effect of different methods of retting husk on fibre and the devising of artificial method of retting, where there are no natural retting facilities, may form the subject matter of study and research by the Coir Board (Research Section).

The Committee does not recommend at this stage the introduction of machinery for the extraction of fibre as this would tend to make more acute the unemployment position of labour engaged in the industry. But it would recommend the use of machinery in places where extraction of fibre is done from raw husk and artificial retting devices would be employed.

The Committee would recommend the issue of licences for retting on a sliding scale. It is recommended further that the various Governments should be approached by the Board to let out for retting Government *paramboke* lands suitable for the purpose, at nominal rates.

The pith and outer cover of the husk can be used for making cardboards and insulators. It can also be used for making building construction materials. Investigation may be made into the various uses to which

the pith and the outer cover can be put. This may be done by the Research Section.

Co-operative organization among producers of husk and fibre must be started and encouraged in all States. In the opinion of the Committee, the working of the existing Coir Co-operatives of Travancore-Cochin State must be enquired into and strengthened and quickened with necessary modifications.

Minimum Wages in the Coir Industry must be enforced to ensure a fair deal to the labour employed therein. Minimum Wages have come to stay in Travancore-Cochin State and it is producing salutary effects in that it tends to stabilize the price of husk and link it on a more stable and reasonable basis with the price of fibre and yarn. Minimum Wages should be introduced in the other States.

The Committee is of the view that price control—let alone its legal difficulties—does not seem to be feasible at this stage. The co-operative machinery and mini-

mum wages would help to establish a reasonable relationship between the prices of yarn, fibre and husk.

Experience does not warrant any serious threat to the industry from other fibres; and does, as Ceylon competition in the field of coir fibre offers an immediate threat.

Export of fibre is negligible and practically the entire fibre produced in India is utilized internally. The Committee does not at this stage consider it necessary to recommend any measure to restrict export of fibre.

Fixing of grade standards of fibre may be left to the Indian Standards Institution.

The Committee feels it necessary that this report should be supplemented and made fuller by further recommendations on the basis of facts ascertained as a result of on-the-spot enquiries in the coconut-producing areas in States like Mysore, Bengal, Bombay, Andhra and Orissa.

## COMMITTEE ON OFFICES OF PROFIT, 1954—REPORT

New Delhi, Lok Sabha Secretariat, 1955. 2 Vols.

Chairman : Pandit Thakurdas Bhargava.

Members : Shri V. B. Gandhi; Shri S. V. Ramaswamy; Shri K. Raghuramalah; Shri Vishwambhar Dayal Tripathi; Shri R. V. Dhulekar; Shri Anirudha Sinha; Shri S. S. More; Shri Kamal Kumar Basu; Shri N. Ramaseshaiah; Shri M. Govinda Reddy; Shri Kazi Karimuddin; Shri Amolakh Chand; Prof. G. Ranga; Shri Rajendra Pratap Sinha.

Secretary : Shri M. N. Kaul.

### APPOINTMENT

The Committee on Offices of Profit was constituted under the Lok Sabha Secretariat on August 21, 1954.

### TERMS OF REFERENCE

(i) To study various matters connected with the disqualification of members and to make recommendations in order to enable the Government to consider the lines along which a comprehensive legislation should be brought before the House; and

(ii) To collect facts, data and to make suggestions as to how the matter should be dealt with.

### CONTENTS

Members of the Committee on Offices of Profit; Report; Annexures.

### RECOMMENDATIONS

In view of the immensity of the task involved in collecting material and in studying relevant matter extension of the life of Act I of 1954 for one year was recommended.

The word "Office" used in Article 102(1) (a) would include membership of a Committee, Commission, etc., appointed for a particular or temporary purpose.

The word "Profit" should be interpreted in a broad sense.

The word "under" used in Article 102(1) (a) should include offices held directly or indirectly under the control of the Central or State Governments.

Holders of ministerial offices (Ministers of State, Deputy Ministers, Parliamentary Secretaries and Parliamentary Under Secretaries) should be exempted from disqualification.

Holders of the offices of Chief and Deputy Chief Whips in Parliament should be exempted from disqualification.

Members of Parliament sent on delegation to foreign countries should be exempted from disqualification.

Holders of offices of Vice-Chancellors of Universities should not be exempted from disqualification. The disqualification clause should not apply to Chancellors and Pro-Chancellors of Universities.

Members of Parliament nominated/elected as members of Senate, Syndicate, Executive Council/Committees of various Universities should be exempted from disqualification.

Holders of offices of Honorary Magistrates, Revenue Officers, Munsiffs, Judges, Coroners, Members appointed on Tribunals and other Judicial Officers should not be exempted from disqualification.

Holders of offices of Sheriff should be exempted from disqualification.

Village officials mentioned in Section 123 (8) of the Representation of the People Act, 1951 (Act 43 of 1951), should not be exempted from disqualification.

Lambardars in States where they have been declared as exempted under Section 123 (8) of the Representation of the People Act, 1951, should not be disqualified.

Persons belonging to the National Cadet Corps, Territorial Army, Members of the Home Guards in various States raised under special enactments should be exempted from disqualification.

Pension holders drawing pensions for services rendered should be exempted from disqualification. Pension holders who receive other pensions, like political pensions, during the pleasure of the granting authority should not be exempted from disqualification.

A person receiving an allowance from the Government on the condition of rendering some service, though of an occasional character, should be deemed to be a person who holds an office of profit under the Government. The disqualification should not, however, apply to erstwhile rulers.

Employees of local bodies should be treated on a par with other Government employees and should not be exempted from disqualification. The disqualification should not apply to Presidents, Chairmen, or Members of Municipalities, District Boards, Corporations or like bodies.

A Technical Adviser to advise the Government on a particular matter and drawing only the travelling allowance permissible under rules and fee subject to the ceiling of Rs. 21 per day should not incur disqualification.

Members of Parliament invited to broadcast from All India Radio should not incur disqualification provided that they are not paid anything except travelling allowance permissible under the rules and fee subject to the ceiling of Rs. 21 per day.

Members of Parliament appointed for setting question papers or examining answer-books and receiving remuneration thereby should not incur disqualification.

Members of Parliament appointed as part-time Professors, Lecturers, Instructors, Inspectors or Teachers in Government educational institutions, medical practitioners rendering part-time service in Govern-

ment institutions, etc., should not be exempted from disqualification.

Members of Parliament should be encouraged to go on Committees which are of an advisory character. Members of Parliament should not be permitted to go on Committees which jeopardize their independence or place them in a position of power or influence or in a position where they receive some patronage from the Government or are themselves in a position to distribute patronage.

Members of Parliament appointed to Committees formed for the purpose of advising the Government for making an enquiry into or collecting statistics should not incur disqualification.

Members of Parliament appointed to Committees on election by Parliament should not incur disqualification.

Membership of Commodity Committees and Development Councils should be exempted from disqualification. Chairmanship, Vice-Chairmanship or Secretaryship of Commodity Committees or of their Standing Committees or Sub-Committees should not be exempted from disqualification. There should be no distinction between office holders nominated by the Government and those elected by the Committees for the purpose of disqualification.

Members of Parliament nominated by the Speaker of the Lok Sabha or the Chairman of the Rajya Sabha should be exempted from disqualification.

Members of Parliament appointed to Committees of a non-advisory character should be exempted from disqualification. A practice should be developed by which members of such Committees may either be elected by Parliament or nominated by the Speaker of the Lok Sabha or the Chairman of the Rajya Sabha.

Membership of Committees entrusted with executive, judicial or like powers should incur disqualification.

No member of Parliament should be appointed on any Committee, especially those entailing disqualifications, without his consent in writing.

Members of Parliament nominated or elected by sectional or other interests, such as employers, employees, consumers, etc., should not incur disqualification.

Provision should be made in the Statute constituting a corporation in which the Government has any share or financial interest for specifically disqualifying a director as provided for in Section 8(e) of the Representation of the People Act, 1951. The words, "financial interest" used in Section 7(e) of the Act should be clearly defined in the proposed legislation.

The exemption from disqualification recommended in the case of advisory committees and non-advisory committees membership of which is non-objectable

should be subject to the overriding condition that Members of Parliament appointed to such committees are not given an allowance or fee of more than Rs. 21 per day.

A Standing Parliamentary Committee composed of Members of both the Houses should be constituted to undertake the work of continuous scrutiny in respect of offices of profit which have escaped the notice of the Committee or offices of profit which may come into existence in future.

All proposed appointments of Members of Parliament to any office or any committee, commission, etc., should be communicated to the Standing Parliamentary Committee. Any future legislation undertaken affecting such offices or committees should be placed before this Committee and its views should be duly considered before a Bill is brought before Parliament.

The legislation recommended may be introduced as soon as possible.

## **REVIEWING COMMITTEE (REVIEW OF THE REPORT OF THE RAILWAY ACCIDENTS ENQUIRY COMMITTEE), 1954—REPORT**

New Delhi, Railway Board, 1957. 57,10p.

Chairman : Shri Shah Nawaz Khan.

Members : Shri L. P. Mishra; Shri T. S. Pattabhiraman; Shri F. C. Badhwar.

Secretary : Shri Ranjit Singh.

### **APPOINTMENT**

The Reviewing Committee (Review of the Report of the Railway Accidents Enquiry Committee) was constituted under the Ministry of Railways (Railway Board) vide their Memorandum No. 4894-TT/II dated August 25-26, 1954.

### **TERMS OF REFERENCE**

To review the various conclusions and recommendations of the Accidents Enquiry Committee in the light of the latest information received from Railways.

### **CONTENTS**

Main Reports: General; Permanent Way and Level Crossings; Vacuum Brakes; Fires on Trains; Minor Accidents; Train Examination; Shortages, Delays and Uncertainties in the supply of Materials through Agencies outside the control of Railways; Traffic Working Rules; The Safety Authority for Railways; The Effective Promotion of Safety through Internal Checks and Supervision vis-a-vis External Inspections; Staff and Accident Prevention; Penalties for Negligence as Deterrent for Offences Against Safety; Accident Prevention Aspects of External Inspections by G. I. R.s; Accident Preventive Aspects of Servicing, Repairs and Overhauls in Workshops, Sheds, Sick Lines, etc.; Effectiveness of Internal Checks and Supervision on Quality of Work; Adequate and Timely Supplies of Stores Essential for Safety and Good Performance;

Surprise [Checks by Experts; Judicial Enquiries into Major Railway Accidents; Reversion to Pre-War Practice for External Inspection; Encouragement of Maximum Availability and Intensive Utilization of Rolling Stock Consistent with Safety Standards; Inspection and Patrolling of Permanent Way; Concluding Paragraph; Appendices.

### **RECOMMENDATIONS**

#### **Vacuum Brakes**

We agree that vacuum brakes should be fitted on all trains on the broad and metre gauges as early as possible, priority being given to the stock that is required to operate on Ghat and other sections where gradients are steep or speeds high. As regards the narrow gauge, however, we feel that some latitude should be allowed for local conditions, comparatively low speeds, and for current schemes for their conversion into the gauge of the surrounding railway systems within a reasonable period.

#### **Fires On Trains**

We have been informed that fire extinguishers are now standard fittings on all passenger trains and also that electrical wiring is carefully examined at regular intervals. The Accident Enquiry Committee's recommendation for adding to the scale of fire extinguishers on each train will not improve matters until vestibulated trains are generally adopted or an extinguisher of a type which any passenger can easily operate is fitted in each compartment. This is hardly practicable at present. Spark arrestors are already standard fittings on all locomotives.

## Train Examination

Facilities for train examinations should also be modernized, wherever necessary, and well-trained staff, keen supervisors and adequate stocks of materials and spares provided. We consider that, at present, train examination in its various aspects is the weakest link in the "safety chain" on Railways, and we recommend that every Railway should carry out a thorough and early probe into the working of each Train Examining Depot.

## Shortages, Delays And Uncertainties In The Supply Of Materials Through Agencies Outside The Control Of Railways

On this matter we fully endorse the views of the Accident Enquiry Committee and, in fact, would like to go further and point out that no appreciable improvements in safety promotion, or the maintenance and operation on Railways, are possible unless timely and adequate supplies of all essential stores can be ensured.

## Traffic Working Rules

We are in complete agreement with the Accident Enquiry Committee that all the Traffic Working Rules for all stations, as well as any special procedures necessitated by local conditions, should be available to the staff concerned in a clear and simple language, which they can read and digest.

## The Safety Authority For Railways

The technical wings of the Railway Board must always remain the safety-controlling authority for Indian Railways.

## The Effective Promotion Of Safety Through Internal Checks And Supervision Vis-a-Vis External Inspections

While paying a tribute to the excellent work performed by the Government Inspectors of Railways over a period of many years under varying conditions, which were not always favourable, we feel that the time has come to recognize the many changes, having wide repercussions, which have taken place in the country since the War and to remodel and adjust the present Inspectorate to these changed conditions.

The increased office work is taking up too large a proportion of the time of certain supervisory categories and we would like to draw the attention of the Railway Ministry to this development and to stress that they should redistribute, or otherwise adjust, the office work in a suitable manner to permit technical staff to concentrate on their essential duties in accordance with the actual work-load.

## Staff And Accident Prevention

Outstanding individual performance deserves special consideration, and if this cannot be given in the shape of special or extra emoluments, then some form of accelerated advancement should be approved. Careful selection and training of all staff, especially Class IV, are as important as choosing good machines and equipment, and both pay high dividends.

Temporary arrangements for providing special instruction outside working hours in suitable centres for technical and train passing staff might be examined, as the provision of modern and well-equipped training schools in adequate numbers over the widespread Indian Railway System may take some years to fructify.

The delays in filling working vacancies on the Railways are regrettable and early improvements in the system of recruitment and training are necessary in this connection. We do not consider it fair to a Railway to have to depend for its recruits on an organization, which it can neither hurry up nor guide in the matter of quality. We, therefore, recommend strongly that each Railway should have its own separate Service Commission or other recruiting agency for Class III staff and the sooner this can be arranged the better as this has a bearing on safety.

## Penalties For Negligence As Deterrents For Offences Against Safety

The proposals to amend the Payment of Wages Act or to alter the existing Code rules may perhaps present practical difficulties, but the Railway Ministry should make a special effort to distinguish between staff offences which endanger the public safety, or public property, and other offences and to take speedier and more severe deterrent action to deal with the former. We feel that a special set of regulations, based on summary procedures, should be introduced for all offences likely to endanger public safety, or public property and that punishments in such cases should be prompt and effective, in the deterrent sense.

## Accident Prevention Aspects Of External Inspections By G. I. R.s

The composition of the Inspectorate would also have to be altered to meet the present-day conditions by including an element of mechanical, electrical, signalling and, perhaps, operating experts.

Expert enquiries into major Railway accidents could be considered as suitably by an organization under the Railway Ministry as by an organization under any other Ministry. The time has come to take a wider view and deal with all matters affecting public safety, and public property, under the common law of the land. If judicial or magisterial enquiries into major

Railway accidents are accepted, then we suggest that the appropriate Ministry to "father" such enquiries would be the Ministry of Home Affairs, which could also ensure that prompt action is taken to commence an enquiry as soon as an accident occurs.

#### Accident Preventive Aspects Of Servicing, Repairs And Overhauls In Workshops, Sheds, Sick Lincs, Etc.

All Railways are endeavouring to attain self-sufficiency by using Indian materials to the greatest extent and it is not at present always possible to obtain these in quality quite comparable with the best imported materials, which the former British regime used to insist upon. A higher degree of checking and testing has been recommended for draw-bars, springs, etc., and it will undoubtedly pay the Railways to arrange this as part of the internal supervision and quality control for each workshop, and C. & W. Depot.

High standards of maintenance and operation and quality generally have to be built into a product by competent workmen using good materials under helpful and intensive supervision. Internal tests, checks and other quality-control measures on Railways should, therefore, be overhauled and strengthened where necessary to ensure uniformly high standards that will stand up to robust and intensive usage with safety.

Departmental, or ministerial, considerations at the Centre, based on the theoretical advantages of centralization, should be relaxed as far as the provisioning of Railways is concerned, as this factor, more than any other, is handicapping them in their efforts to provide additional carrying capacity, with safe operation. The present practice in the D. G. & S. D. of insisting on indents two years, or more, before the material is expected to be used, and the artificialities of the Stores Accounting System are all additional major handicaps which require immediate remedy.

Safety Promotion can best be achieved through increased efficiency in all aspects of servicing, repairs, overhauls, maintenance and operation, and we have no doubt that the most effective contribution can be made through internal measures like competence of

workmanship and checks by supervisors who have to share the responsibility for defective work.

Early steps be taken for enquiries into major railway accidents to be conducted by judicial officers, who should be provided with such expert assessors as they may require, in replacement of the present Government Railway Inspectors.

The Government Railway Inspectorate should revert to its pre-War (1941) location, from which it is reported to have functioned quite well in inspection matters.

In respect of technical matters, however, facilities should be provided by the Railway Board for the Government Inspectorate to maintain close and constant liaison with the various experts sections that comprise the Central Standards Office, the Railway Testing and Research Directorate and the various other technical Directorates of the Board's office.

Adequate and timely supplies of materials, provision of competent workmen in sufficient numbers, intensive and expert supervision, the additional capacity and equipment required in servicing depots and workshops, and the requisite funds to sustain these special efforts should be made readily available to the Railways to enable them to operate with reasonable safety, the large proportion of over-age rolling stock, well past its economic life, which the country cannot afford these days to withdraw from regular service.

We feel that each gang length, or every second gang length, should be provided with a trolley-cycle for use in emergencies as is the practice in some Western countries. This should enable a keyman, or a two-man patrol, to cover a gang length in one-third or one-fourth of the time that would be taken if they had to walk. We feel that the evolution of a suitable slow speed (20 m.p.h.) design, which three men can comfortably lift, should be within the scope of the Railway Research Centre. Replacement of the old, slow and heavy four-man push trolleys by these motor rail-tricycles should facilitate more frequent inspections of track and bridges as supervisors can get round faster and more frequently.

## BANK AWARD COMMISSION, 1954—REPORT

New Delhi, Ministry of Labour, 2 Vols.

Chairman : Justice Shri Rajadhyaksha (died, replaced by Shri P. B. Gajendragadkar).

Secretary : Shri W. T. Korkc.

#### APPOINTMENT

The Bank Award Commission was constituted

under the Ministry of Labour vide their Resolution No. LR-100(56)/54 dated September 17, 1954.

#### TERMS OF REFERENCE

To enquire into and ascertain the effects on the



emoluments which the employees were in receipt of prior to August, 1954.

(a) Of the Appellate Tribunal Decision without modification, and

(b) Of the Appellate Tribunal Decision as modified by the Government's Order No. S. R. O. 2732, dated August 24, 1954.

To ascertain:

(a) The additional burden on individual banks that would have been caused by the Appellate Tribunal Decision over the expenses under the frozen Sen Award;

(b) The extent and amount of relief obtained by them as a result of the modifications made by the Government;

(c) The additional expenditure now to be borne by banks under the modified decision over the expenditure incurred under the frozen Sen Award that would have been incurred under the Sastry Award.

To scrutinize the information already collected and to collect further information relevant to the consideration of these issues.

To recommend, having regard to the facts ascertained and to the need for ensuring an equitable treatment to bank employees consistent with the capacity to pay of the various classes of banking companies or individual units:

(a) Whether the Appellate Tribunal Decision, as modified, should be continued;

(b) Whether the Appellate Tribunal Decision should be restored and, if so, whether fully or in part;

(c) Whether the Appellate Tribunal Decision should be enforced with any other modifications considered necessary.

In considering this, due regard should also be paid to the desirability of avoiding widespread closures of banking companies or their branches, to the necessity to promote development of banking in the country generally and in the rural areas in particular and to any possibilities of effecting economies in the expenses of banking companies.

To consider and recommend what special modifications, if any, are necessary in the Decision in order to encourage the spread of banking facilities in the Class IV Areas of Part "B" States and Part "C" States other than Delhi, Ajmer and Coorg.

## CONTENTS

Foreword: The Commission at Work—A Brief Account of the Proceedings; Background of the Dispute: The Task Before the Commission: The Approach to the Problem—General Considerations; Preliminary Questions in Regard to the Implementation of the Labour Appellate Tribunal Decision; Expansion of Banking and the Problem of Area 4; Capacity to Pay

of Classes of Banks and Individual Units; Government-Modified Decision—The Approach Underlying the Decision Considered and Commented on; Problems Connected with Some Special Class; Recommendations; Appendices; Statements.

## RECOMMENDATIONS

Labour Appellate Tribunal Decision With Modifications To Be Restored In Case Of A And B Classes And Specified Banks In C Class

1. The Labour Appellate Tribunal Decision should be restored in the case of the following banks subject to the modifications mentioned below in Clauses 1(a) to 1(f). In view of the Government's assurance in Parliament, this recommendation should have retrospective effect as from April 1, 1954.

A Class : All banks—Indian and Foreign.

B Class : All banks except the Bank of Bikaner and the United Bank of India.

C Class : (i) Bank of Behar

(ii) Bank of Indore

(iii) Bank of Jaipur

(iv) Bank of Maharashtra

(v) Canara Banking Corporation

(vi) Canara Industrial and Banking Syndicate

(vii) Hind Bank

(viii) Travancore Bank.

## Medical Relief

(a) The provision for accumulation of Medical Relief in the Labour Appellate Tribunal Decision should be dropped; the provisions in the Sastry Award in regard to Medical Relief should be confirmed.

Subject And Reference To Relevant Paragraph In The Report

## Area 4

(b) The provision for the creation of an additional Area 4 as per Clause 3(a) of the Government-modified decision dated August 24, 1954, together with the wage structure and dearness allowance prescribed for this Area should be confirmed.

## Area 5

(i) The creation of a further Sub-Area under Area 4 described as Area 5 in this Report, which under the Government-modified decision dated August 24, 1954, now enjoys complete exemption from any award should, however, be set aside except in the case of banks incorporated in Travancore-Cochin State excluding the Travancore Bank.

Banks Incorporated In Travancore-Cochin State

(ii) Banks incorporated in Travancore-Cochin State except the Travancore Bank should be allowed com-

plete exemption from the operation of any award in respect of their business within the limits of the Sub-Area as defined above for a maximum period of two years from the date of announcement of the Government's final decision on the Commission's report or until the recommendations of the Special Commission referred to below are implemented, whichever event happens earlier. In case, however, such a Commission is not appointed or after appointment is unable to make its recommendations within two years or in case its recommendations are received but not implemented within two years, the exemption granted to the branches of these banks in the Sub-Area referred to above should be withdrawn.

#### Cuts To Be Phased With Adjustment Of Increments

(c) Clause 3(g) in the Government-modified decision should be confirmed and applied to the Government-modified or Labour Appellate Tribunal Decision, as the case may be, save that in making deductions in three instalments as contemplated by the said provision banks should be entitled to adjust the increments due to employees against the temporary adjustment difference payable to them. This clause should have retrospective effect from April 1, 1954, the first cut falling due on April 1, 1955. However, in giving effect to this changed provision, employees should not be required to refund any amount already received by them as a result of Clause 3(g) of the Government-modified decision dated August 24, 1954.

#### Payment Of Arrears For 1954-55 To Be Spread Over Three Accounting Years

(d) With a view to affording some relief to banks from the initial impact of the retrospective implementation of the Labour Appellate Tribunal Decision, the implementation of the aforesaid first impact should be phased over three accounting years in such a manner that 40% of the additional emoluments due to employees in 1954-55 (April to March) will be payable by December 31, 1955, 30% by June 30, 1956, and the balance 30% by January 31, 1957. This will, however, be subject to the condition that in case during this period the services of any of the employees concerned are terminated by way of dismissal or discharge or in other ways, or in case an employee retires or leaves his employment for any reason whatever or dies, the total dues that would have become payable to him at the time the final decision of the Government on my recommendations came into force inclusive of all benefits should be paid to him or his assignee forthwith.

#### Adjustment Of Dearness Allowance

(e) The following formulae should be adopted for adjustment of the dearness allowance for variations in

the Cost of Living Index for clerical and subordinate staff respectively in lieu of the provision in the Labour Appellate Tribunal Decision:

#### Clerical Staff

If the average All-India Cost of Living Index for the half-year ending June or December of any year should rise or fall by more than 10 points as compared to 144 (1944=100), the dearness allowance for the succeeding half-year will be raised or lowered by one-seventh of the dearness allowance admissible at the Index level of 144 for each variation of 10 points.

#### Subordinate Staff

If the average All-India Cost of Living Index for the half-year ending June or December of any year should rise or fall by more than 10 points as compared to 144 (1944=100), the dearness allowance for the succeeding half-year will be raised or lowered by one-tenth of the dearness allowance admissible at the Index level of 144 for each variation of 10 points.

#### Adjustment Of Employees In The New Wage Structure

(f) The provision made in the Labour Appellate Tribunal Decision in regard to fitting employees in the new wage structure should be confirmed only in the case of A Class banks. In the case of B, C and D Classes of banks, the corresponding provision in the Sastry Award which has been upheld in the Government-modified decision dated August 24, 1954, should be applied.

#### Government-Modified Decision Dated August 24, 1954, To Continue In Case Of Banks Specified

2. As regards C Class banks other than those mentioned in Clauses 1, 6 and 7, and D Class banks other than those in Clause 7, the Government-modified decision dated August 24, 1954, should operate subject to the modifications mentioned in Clauses 1 (a), 1(b), 1(c), and 1(e). Displaced banks and banks incorporated in Travancore-Cochin State excluding the Travancore Bank should likewise implement the Government-modified decision subject to the aforesaid modifications.

#### Position Of D Class Banks Including Displaced Banks To Be Reviewed In 1959

(i) In the case D Class banks, including displaced banks but excluding D Class banks incorporated in Travancore-Cochin State the provision made in the Labour Appellate Tribunal Decision that as from April 1, 1959, they should automatically step into C Class should be set aside and in its place a provision added that the position of these banks as at the end of March, 1959, will be examined afresh in order to arrive at a decision as to their promotion or otherwise to C Class.

### Provision As To D Class Banks In Travancore-Cochin State

(ii) In case a Commission is not appointed for banks incorporated in Travancore-Cochin State as recommended, the recommendation made in Clause 2(i) in respect of D Class banks will apply to D Class banks in Travancore-Cochin State also.

### Time For Exercising Right Of Option To Be Refined

3. Employees should be entitled to the right of option to the existing terms of service as confirmed by the Labour Appellate Tribunal decision but the period for such option mentioned in that Decision should, as a consequence of my recommendations, be refined and extended to three months from the date of pronouncement of the Government's final decision on my report. Where employees of any bank have already exercised their option on the assumption that the Government-modified decision has come to stay, such option should be allowed to be revised and another opportunity given to employees to opt either for the final decision of the Government on my report or for the terms offered by the individual banks.

### Dues For The Current Year To Be Settled On Or Before December 31, 1955

4. Payment of emoluments to bank employees for the current year according to the Government's final decision on my recommendations should be settled by December 31, 1955.

### Promotion Of The Indian Bank To A Class

5. The agreement entered into between the Indian Bank and its employees' representatives in regard to its promotion from B Class to A Class as from January 1, 1956, should be approved and enforced.

### Agreements Before The Commission

6. In respect of the following banks which entered into agreements with employees' representatives before this Commission, the decision should be in terms of the agreements forwarded to the Government.

- (a) Bank of Bikaner.
- (b) Jodhpur Commercial Bank.

### Other Agreements

7. The following banks have independently entered into agreements with their employees as to the pay scales and other conditions of service applicable to them:

- (i) Salem Bank.
- (ii) Vysya Bank.
- (iii) Bharatha Lakshmi Bank.
- (iv) Pandyan Bank.

The agreements of the first two banks have been

recorded by the Labour Appellate Tribunal. The last two banks have sent to this Commission authenticated copies of agreements signed by them and their employees. These agreements should also be approved and enforced.

### The United Bank Of India

8. The United Bank of India should implement the Sastry Award applicable to banks in B Class with effect from August 1, 1955, subject to the following conditions:

(i) The initial additional burden arising from the implementation of the said Award should be spread over a period of three years, one-third of the increase in each of the components of the monthly emoluments being paid to the employees year by year during this period:

(ii) The employees whose monthly emoluments would be reduced should have their emoluments adjusted downward during a similar period of three years, the reduction every year being one-third of the difference in their emoluments for the month of July, 1955, and the emoluments they would be entitled to under the above provisions as from August 1, 1955;

(iii) The employees should be entitled to regular increments in the Award scales during the above period and where salaries would be reduced such increments should be adjusted towards the reduction in the temporary adjustment difference which would become payable to the employees as a result of implementation of the above recommendation;

(iv) The Tribunal to which the question of retrenchment of staff has been referred should be requested to decide the said question as early as possible and the recommendations of the Tribunal when received should be implemented without delay; and

(v) At the end of three years or after the recommendations of the Tribunal appointed to deal with the question of retrenchment of staff are received and implemented, whichever event happens earlier, the financial position of the bank should be considered afresh by a Tribunal appointed in that behalf and the wage structure and allowances should be fixed in the light of the decision of the said Tribunal.

### Banks Incorporated In Travancore-Cochin State—Commission To Be Appointed

9. In view of the special problem of banking in Travancore-Cochin State, the Government should, as soon as may be expedient, appoint a Commission with wide powers to examine the financial position of banks incorporated in that State in relation to its economy, suggest measures for their integration and make recommendations in regard to the terms and conditions of service of their employees.

# COMMITTEE ON HIGHER EDUCATION FOR RURAL AREAS : RURAL INSTITUTES, 1954—REPORT

New Delhi, Ministry of Education, 1955. 77p. Charts.

Convener : Shri K. L. Shrimali.  
Members : Shri L. K. Elmhirst; Shri L. H. Foster;  
Shri J. C. Mathur.  
Secretary : Shri I. R. Khan.

## APPOINTMENT

The Committee on Higher Education for Rural Areas: Rural Institutes was appointed by the Ministry of Education, Government of India, in October, 1954.

## TERMS OF REFERENCE

(a) To undertake a comprehensive survey and appraisal of promising ideas, institutions and experiments in the field of Higher Education in rural areas;

(b) To determine what specific projects and Institutions should be encouraged to carry on experimental work in this field;

(c) To recommend a possible pattern for rural universities with particular reference to:

(i) The aims, organization and content of Higher Education in rural areas;

(ii) Its relationship to Basic and Secondary Education;

(iii) Other allied problems;

(d) To suggest ways and means of making education in the existing universities more useful and more closely related to rural needs and problems,

so that a sound and reasonably uniform system of Rural Higher Education suited to our needs and resources may be evolved for the whole country.

## CONTENTS

Foreword; Preface; Appointment and Terms of Reference; Aims and Objectives; Research Courses and Services to the Community; Admission and Examinations; Organization and Administration; Finance; Implementation; Summary of Main Recommendations; Appendices from 1 to 4.

## SUMMARY OF MAIN RECOMMENDATIONS

The aims and objectives of Higher Education in rural areas are not fundamentally different from those of Higher Education in urban areas.

Rural Institutes will help in breaking down economic and geographic barriers between the rural and the urban population. They will also help in bridging the gulf which exists in our country between culture

and work, between the humanities and technology and between the practical and the ideal.

Rural Institutes which aim at serving the entire community will have a variety of functions:

(i) They will admit students who after completing their Post-Basic or Higher Secondary education wish to proceed for higher studies.

(ii) They will make provision for certificate courses in subjects such as Rural Hygiene, Agriculture and Rural Engineering and also for shorter courses to meet the requirements of those persons—men or women—who wish to increase their knowledge and skill without having to go through a regular course.

(iii) By providing a comprehensive teaching-cum-research-cum-extension programme, Rural Institutes will strive to meet the educational needs of every one in the area they set out to serve.

The Rural Institute will, in short, need to function as a cultural and training centre and as a centre for development planning for the entire community.

Students at the Rural Institutes should devote sufficient time to studies of the fundamentals of science and technology.

The requirements for recruitment to Government services will need adjustment to afford the products of Rural Institutes their rightful place in the administrative services.

In recommending the establishment of Rural Institutes, it is not intended to create a permanent or ultimate separation of rural and urban institutions. The programme of national education must develop as an organic whole.

## Rural Institutes

### Part I

The five main aspects of any region in India today are:

(i) The Economic aspect; (ii) The Health and Hygiene aspect; (iii) The Educational aspect; (iv) The Sociological aspect; and (v) The Cultural aspect.

Each of these aspects will be reflected in the courses and research at the institute and in extension work in the field.

The site of the Rural Institute should be carefully chosen keeping in view not only practical considerations but also the natural beauty of the surroundings.

The Institute will be residential for students of both

sexes and for staff, with adequate amenities for living rooms, classrooms, workshops, farms, etc.

Close and constant contact between the Rural Institute and other agencies working in the field of rural reconstruction such as the Community Projects Administration and National Extension Service is highly desirable and likely to be of no little mutual benefit.

Rural Institutes will take every aspect of the regional or village problem as their field of research, and with a view to action.

Some fields of research in the various aspects of rural life are suggested.

The following courses should be provided at the Rural Institute with minor adjustments in their duration and content to suit different regions:

- (i) A three-year Diploma Course in Rural Services;
- (ii) A one-year course for a Teaching Diploma;
- (iii) A one-year course for a Teaching Certificate;
- (iv) A two-year Certificate Course for Rural Health Workers (Women).
- (v) A two-year Certificate Course for Overseers; and
- (vi) A two-year Certificate Course in Agricultural Sciences.

All students will undertake some "useful work" on the Campus. Paid jobs will also be available for needy students and will, where possible, be related to the nature of their courses of study.

The language requirements will be the regional languages, Hindi and English.

Students at the Rural Institute will be given facilities and scope to develop their own activities and societies in their own leisure time.

The extension service of the Rural Institute represents the chief means of contact between the Institute and the people of its region whether for promoting Higher Education or for enlivening the process of research.

As part of the extension programme, we recommend short courses of study at the Vidyapeeths that would combine cultural orientation with the learning of new agricultural and craft techniques. Such courses would improve the cultural and economic level of the region.

The short residential courses here proposed will make the Institute a home for a much wider public than just their own regular student body.

We visualize the eventual establishment of a *Lok Vidyapeeth* in every district of India.

The ultimate end of such community programmes must be a vital cultural growth which releases new energies, reveals suppressed emotions and finds new forms of expression through the Arts and develops new qualities of trust in human relations.

## Part II

The three-year Diploma Course as well as the two- and one-year Certificate Courses should be open to candidates who have completed the Higher Secondary or Post-Basic course.

Candidates who have passed the High School Examination should not be admitted unless they have put in an extra year of practical work.

The Teaching Diploma Course should be of two kinds. One for graduates and the other for those who have done Higher Secondary or the Post-Basic course, and also for those who have completed the one or two years' Certificate Course.

No educational qualification need be prescribed for short courses in special techniques.

Lok Vidyapeeths may admit trainees irrespective of their academic background.

The Director and the Faculties should try different methods for the selection of those candidates who are most likely to benefit from the Institute.

Women will be encouraged to take advantage of all the facilities offered by the Institute.

Standards of admission and of selection should remain flexible.

A final test on completion of the three-year Diploma Course will be given.

The Diplomas will be awarded by the National Council of Higher Education for Rural Areas and will be called the National Diploma in Rural Services.

For Certificate Courses of one or two years' duration, the award of certificate will be the responsibility of the State Councils. The emphasis in assessment should be on the practical side of the students' work.

No formal tests need be held in the case of shorter courses of less than a year's duration.

A definite shift in emphasis away from the stereotyped written examinations and towards depending for assessment on cumulative records of practical and social activities of the student will be essential for the success of the Rural Institutes.

## Organization And Administration

In the early stages of development of Higher Education for rural areas, privately sponsored Rural Institutes should be particularly encouraged.

At the Centre, Government efforts to develop Higher Education for rural areas should concentrate on nationwide co-ordination, financial support, development and maintenance of standards and encouragement for programmes of demonstrated value.

A National Council of Higher Education for Rural Areas should be established as Advisory Body to the Central Ministry of Education.

At the Central Ministry of Education, a Division of Higher Education for Rural Areas should be estab-

lished to encourage the development of Higher Education in rural areas.

At the State level, there should be established a State Council of Higher Education for Rural Areas in the Department of Education along the same lines as suggested for the Centre.

Each Rural Institute should have a governing body to determine major policy to facilitate the general understanding and support of its programme, and to ensure academic and financial integrity in all phases of the Institute's work.

The internal organization of the Rural Institute should establish authority and responsibility clearly, in order to achieve the Institute's comprehensive goal of teaching, research and extension.

There should be provision for:

(a) A Director to be the Chief Executive Officer who will administer the total programme, being responsible only to the Governing Board.

(b) Separate Departments for the Library and for the six major fields of study (Agriculture, Engineering, Hygiene, Rural Services, Teacher-Training and General Studies), each under the direction of a Department Head responsible to the Director of the Institute.

(c) An Extension Service Department, directed by a Head responsible to the Director, to co-ordinate the field work of the educational departments and to promote the total extension service programme of the Institute.

(d) A Student Guidance Counsellor, responsible to the Director, to stimulate and co-ordinate programme concerned with out-of-class life of students.

(e) A Finance Department, headed by a Bursar responsible to the Director, to manage all business affairs.

(f) Standing Committees to advise the Director on general administration, educational programme, extension service, and other major matters; and temporary Committees as required for special studies and to expedite the Institute's work.

The Rural Institute should make every effort to build a good working relationship with existing universities, with the State schools, and with administrative and other agencies engaged in work related to that of the Institute.

#### Finance

Simplicity of style and manner should guide all planning at the Rural Institute in order that operating

costs may be kept low; but high quality should always be maintained.

Students at the Rural Institute should work to help pay the costs of their education. Student work experiences should be integrated into the student's total educational programme.

The Rural Institute should undertake productive activities to improve the economy of the community and to provide some income for the Institute.

The possible sources of Revenue for a Rural Institute include the Central and State Governments, the students, the local people, the alumni of the Institute and philanthropy.

The recurring budget of Rs. 5,50,000 and capital investment of Rs. 65,00,000 are conservative estimates of costs which should be provided for each Rural Institute.

#### Implementation

We recommend that the Government select for immediate development into Rural Institutes five or six existing which are already doing pioneering work in this field.

If the Heads of these Institutions are willing to accept help and suggestion from the Government, they should be invited to draw up plans immediately for submission to the Government. Once agreement is reached funds should be made available by the Government.

We recommend the immediate establishment of a National and State Councils of Higher Education for Rural Areas to guide and maintain the standards of these Institutes and to explore the possibility of setting up new Institutes, or of developing other existing ones.

We also urge the establishment of a new Division in the Central Ministry of Education to take immediate steps to promote the development of Rural Institutes.

Each State will need to set up a Section in the Department of Education to deal with these matters at the State level.

As soon as possible, the National Council of Higher Education for Rural Areas should set up an expert committee to draw up suggestions for courses, suggestions for suitable buildings, sample budgets for the proposed institutes and appropriate qualifications for personnel.

# RICE MILLING COMMITTEE, 1954—REPORT

Delhi, Manager of Publications, 1958. 180p.

Chairman : Shri C. P. Karunakara Menon.  
Members : Shri G. Parameswaran Pillai; Shri I. U. Lakhia; Shri Jhaverbhai Patel; Shri Raojibhai N. Patel; Mrs. P. Johri; Dr. D. V. Karmarkar.  
Secretary : Shri N. M. Bardhan.

## APPOINTMENT

The Rice Milling Committee was constituted under the Ministry of Food and Agriculture vide their Resolution No. P4-I-608(5)/54 dated October 8, 1954.

## TERMS OF REFERENCE

(i) To examine the working of the different types of rice milling now in vogue in the country from all relevant aspects such as Technical, Nutritional, Consumer Preference, Economic and Employment; and

(ii) To make recommendations as to the future policy that should be adopted and to indicate the Administrative, Financial and Legislative measures which may be needed on the part of the Central and State Governments to give effect to them.

## CONTENTS

Introductory; Implements of Hand-Pounding; Rice Milling by Power-driven Machine; Adverse effects of Government Control and other factors on the Hand-Pounding Industry; Rice Milling after Decontrol; Rural Unemployment and Employment Potential of the Hand-Pounding Industry; Impediments in the way of Organizing and Developing Hand-Pounding Industry; Encouragement of Hand-Pounding Industry; Co-operative Hand-Pounding Centres; Nutrition; Summary of Recommendations for Rice Milling; Pulse-Milling and Recommendations; Note by Dr. D. V. Karmarkar; Appendices I to XII.

## RECOMMENDATIONS

Licensing of all types of power-driven rice mills, and recognized hand-pounding centres organized as co-operative societies or by recognized institutions and social workers or by trade engaged in producing hand-pounded rice working on factory scale should be immediately introduced in all States under the Essential Commodities Act, 1955, where this has not already been done under a State Act.

A census should be taken by the State Governments of all existing rice mills.

No licences for new rice mills or rice milling in

combined mills should be granted. If, however, a new mill is considered by the Local Government to be absolutely essential in the public interest in special circumstances, for example, in emergencies, the licence should be given to the required number of the smallest unit managed either by the Government or by Co-operative Societies as the Government may decide. The decision in this matter should be taken in each case at State Government level.

No additional capacity to any of the existing rice mills should be allowed.

No rice mill should be permitted to work for more than six hours a day, the object being that the existing over-all production of the rice mills should not only not be increased, but should be decreased.

Immediate action should be taken to eliminate small huller machines operated with one or two hullers; similarly rice hullers working in combination such as pumping out or lifting water for agricultural or other purposes should be prohibited. In no case should the licence of any such small huller machine be renewed to work after December 31, 1956, and the Government should take suitable steps, where necessary, for example, in the case of displaced persons, for rehabilitating owners of husking machines in some alternative employment.

A cess at annas six per maund of paddy milled should be imposed on all rice mills and the proceeds of the cess should be utilized for organizing the hand-pounding industry, for research to improve hand-pounding implements and for a subsidy to hand-pounded rice. Necessary legislation should be made for the imposition of a cess on rice mills.

The existing average subsidy of annas six per maund of paddy hand-pounded should be increased to annas eight per maund of paddy. The subsidy should be granted through recognized hand-pounding centres organized as Co-operative Societies or by recognized institutions and social workers (wherever the price of the hand-pounded rice is higher than [that of] milled rice). The subsidy should be for a specified period of, say, five years, after which the position should be reviewed by the Government.

Individuals engaged in producing hand-pounded rice and certified by the All-India Khadi and Village Industries Commission may be allowed concessions in the form of easy credit and implements at subsidized rates.

The hand-pounded rice produced at hand-pounding centres certified by the All-India Khadi and Village

Industries Commission should be exempted from sales tax in States where rice is subjected to sales tax. The existing rules should be amended accordingly.

State Governments should purchase only hand-pounded rice, preferably from Government-subsidized hand-pounding centres where they exist, for their requirements for jails, hospitals, Government hostels, the Railways, the Army, the police, etc. The Government should issue a directive to all Government-aided and controlled concerns, institutions and canteens (such as Railway Canteens) to purchase only hand-pounded rice, preferably from Government-subsidized hand-pounding centres where they exist.

Each State Government should immediately formulate a programme for the speedy organization of hand-pounding for home consumption and at centres for sale, so as to cover within the shortest possible time the milling capacity released by the proposed closure of small huller machines, in order that the supply position of rice is ensured.

Hand-pounding industry should be further organized in other areas also for improving the employment position and for producing the supplies required in those areas so as to replace production by the rice mills. Each State Government should draw a five-year phased programme on the lines indicated in this Report for the speedy organization and development of the hand-pounding industry, with a view to the employment of the maximum number possible of the unemployed or under-employed rural labour, and for the elimination of rice mills in the States within that period, regard being had to the maintenance of normal supplies of rice to the community. Each State Government should review this five-year plan every year and revise it with reference to the progress achieved in the previous years and the target to be achieved.

The programme of State Governments for a speedy organization of the hand-pounding industry should proceed on a co-operative basis and should follow the recommendations made by the Reserve Bank of India in their Rural Credit Survey Report regarding co-operative processing and marketing of village produce. At the end of three years there should be a review by the Government of India of the progress made by each State in the implementation of these recommendations, so far as hand-pounding of rice is concerned.

All State Governments, by issuing orders in exercise of powers conferred on them by the Essential Commodities Act, 1955, should restrict the milling of rice by rice mills to 5% with a minimum milling of 3%.

Exemption from the restriction under Item (12) should be granted for rice produced for the export market in which case the milling should be adjusted to the requirements of the purchasing country. Such production should be with the special permission of the Government of India and under their close supervision.

In the case of any import of rice, the rice of the same standard of milling as stated above should be imported as far as possible.

Any rice mill which may be retained to meet the essential needs for production, for export, or for any other reason should be only of the sheller type or of the combined sheller-huller type.

The Essential Commodities Act, 1955, and, if necessary, the Constitution should be suitably amended to enable State Governments:

(i) To issue orders under Items (2) to (6) with the object of creating work for the rural unemployed;

(ii) To restrict milling by rice mills (Item 12) with the object of retaining the nutritive value of milled rice; and

(iii) To convert any huller mills into sheller mills or combined sheller-huller mills.

Publicity and propaganda should be made through Schools, Colleges, the Community Development and National Extension Blocks, Women's Organizations, the Red Cross, the Cinema, the Radio, the Stage and Literature:

(i) To emphasize the nutritive value of under-milled rice and hand-pounded rice and induce consumers to eat hand-pounded rice;

(ii) To emphasize the greater potentiality of the hand-pounding industry to provide employment;

(iii) To discourage the present practice of washing and cooking rice by which its nutritive value is lost and to propagate the correct method for retaining it in cooked rice.

Research should be conducted for evolving simpler and better hand-pounding implements with a view to increasing their output and at the same time making them easier to handle.

Each State Government should have a special agency under its Co-operative Department to organize Co-operative Societies as suggested in these Recommendations.

The Central Government should appoint a Special Agency to act as liaison between them and the State Government with a view to enforcing the Government of India's policy in those matters.



# FERTILIZER PRODUCTION COMMITTEE, 1954—REPORT

New Delhi, Ministry of Production, 1955. 2 Vols.

Chairman : Shri B. C. Mukharji.  
Members : Dr. A. Nagaraja Rao; Dr. M. D. Parekh;  
Shri K. C. Sharma.  
Secretary : Shri P. M. Nayak.

## APPOINTMENT

The Fertilizer Production Committee was constituted under the Ministry of Production vide their Resolution No.Fy.I-17(1)/54 dated October 29, 1954.

## TERMS OF REFERENCE

- (i) To suggest possible locations for the new fertilizer factories for the production of ammonium sulphate, ammonium sulphate-nitrate and urea having regard to all relevant considerations including adequacy of transport and the proximity of consumer points;
- (ii) To indicate the quantities of one or more of these fertilizers that could be produced at each location on an economic basis, the processes to be adopted and the probable cost of production;
- (iii) To estimate roughly the capital and working cost of the plants recommended at different locations;
- (iv) To make recommendations regarding the requirements and the provision of technical personnel for staffing the new plants; and
- (v) To suggest the best method of further processing the Committee's Recommendations.

## CONTENTS

Introductory; Production Targets; Raw Materials; Review of State Governments' Proposals; Production Units—Number and Location; Technical, Financial and Administrative Consequences; Mode of Implementation of Recommendations; Miscellaneous; Annexures.

## RECOMMENDATIONS

For any new factory, however large it may be, it is necessary at the present juncture to appoint a firm of constructors as the Government's general agents charged with the task of arranging for contractors and supervising and co-ordinating their work. We have come to the conclusion that while it will be necessary, even on the present occasion, to depend largely on imported technique and know-how for designing the new plants, on imported plant, equipment and machinery for their construction at site and, to some extent, on imported technicians for supervising their assembly and commissioning, our contractual arrangements with the selected foreign firms should be so devised as to

secure full association of Indian Technical Personnel at every stage of the work and also full utilization, as well as maximum development, of whatever construction and fabrication facilities exist in the country today.

The technique of making heavy water is new and uncommon and its knowledge is, we understand, confined to only a handful of firms in the world. We consider in the circumstances that it would be expedient to engage, on the best possible terms, the services of one of them for technical guidance in the designing, construction and commissioning of the heavy water plant from start to finish.

We advocate, as the first step in the process of implementation of our Recommendations, the setting up of a common Fertilizer Board to administer and control all State-owned fertilizer production units including Sindri.

While the common Board must have a body of common Directors, whole-time and part-time, it may, we recognize, be necessary to devise a system of appointing Associate Directors for individual projects. In the case of the Nangal Plant, for example, it may be considered expedient to have on the Board a representative of the Atomic Energy Commission and/or a representative of the Bhakra Control Board; these representatives cannot for obvious reasons be accepted as common Directors for all projects and should therefore be given a distinctive designation so that they may exercise their powers and fulfil their responsibilities only in relation to the particular project for which they may be specifically named. There should, we suggest, be a paid whole-time Executive Chairman for the common Board and not a Chairman for only presiding at meetings as currently provided by the Articles of Association of Sindri and other State-owned industrial concerns. The Board should have, alternatively, a paid whole-time Managing Director as its Chief Executive. With a whole-time Executive Chairman, there should be as many Managing Directors as there are production units. With a single whole-time Managing Director each factory should have a General Manager, all the General Managers being also Directors of the common Board.

To the Management Committee for each factory fairly wide powers should be delegated by the Board; in addition, restricted delegations should be made to the General Manager or the Managing Director himself with powers to sub-delegate his authority to any of his principal lieutenants individually.

As the very first step we would recommend immediate recruitment of the following four senior officials for each approved factory including Nangal Plant:

(i) The Administrative head, i.e., the General Manager/Managing Director;

(ii) A fully qualified Chief Engineer; there should be no hesitation in recruiting a foreigner to this post if no qualified and experienced Indian national is available for the office;

(iii) A qualified and experienced Production Manager of proved merit and having the requisite operational and administrative experience; we expect that there are at least some technicians in the country, at Sindri or elsewhere, who would come up to the expectations; for the rest, recruitment from abroad may have to be resorted to; and

(iv) A Chief Accounts Officer.

Simultaneously two foreign experts should be engaged on short-term contracts (not more than three years) to fill the position of consultants and technical advisers without any executive authority. These experts should be direct employees of the Central Fertilizer Board and not attached to any particular factory. The type of men we have in mind can be recruited only in one way, namely, by a direct approach to foreign Governments who are interested in, and are genuinely anxious to help, the industrialization of India coupled simultaneously with an approach to friendly firms with whom we have already developed business contacts.

A Standing Technical Committee should be set up consisting of:

(i) The three foreign experts or consultants;

(ii) The Chief Engineers of the new production units;

(iii) Their Production Managers; and

(iv) Two or three technicians of experience drawn from Sindri or elsewhere including firms in the private sector.

This Standing Committee should to a large extent fulfil the functions of Consulting Engineers for the new

production units and their jurisdiction should also cover Nangal to a limited extent.

The first task of the Standing Technical Committee should be to prepare a layout design of the new plants with necessary drawings for the approval of the Central Fertilizer Board; and thereafter to prepare specifications for each plant on the basis of the approved designs. In the case of the Nangal Plant the plant designs will have to be made and specifications prepared by the Consulting Engineers in consultation with the Standing Technical Committee and under their general instructions.

For Nangal a firm of consulting engineers having special experience in designing and building heavy water plants should be engaged and required to function in close collaboration with, and under the supervisory control of, the Standing Technical Committee.

On the basis of the specifications prepared by the Standing Technical Committee (in the case of Nangal by the consulting engineers under the supervision of the Standing Technical Committee) tenders should be invited for each section of each plant. After the tenders received are scrutinized by the Standing Technical Committee (in the case of Nangal by the Consulting Engineers under the supervision of the Standing Technical Committee) contracts should be awarded for individual plants or groups of plants, not on the basis of turn-key jobs, but on the basis of either supply of plant and equipment alone or their supply and erection or, in exceptional cases, their supply, erection and commissioning.

Adequate local organizations for individual production units as well as a Headquarters Central Organization for the Central Fertilizer Board should be built up as early as possible.

As an interim measure the processing of the programme visualized above should be entrusted to either a small Ad Hoc Committee or preferably a Special Officer invested with the necessary status and powers and assisted by competent lieutenants of appropriate rank.

## COKE-OVEN PROJECTS ENQUIRY COMMITTEE, 1954—REPORT

New Delhi, Planning Commission, 1955. 80p.

Chairman : Shri Darab C. Driver.

Members : Shri R. K. Ramadhyani; Dr. A. Nagaraja Rao; Shri C. S. N. Raju; Shri S. V. Aiyer; Shri S. N. Ray.

Secretary : Shri K. Vyasulu.

### APPOINTMENT

The Coke-Oven Projects Enquiry Committee was constituted under the Planning Commission vide their Resolution dated November 27, 1954.

## TERMS OF REFERENCE

(i) To make an assessment of the demand for coke as at present and over the next Five Year Plan period;

(ii) To examine the replacement and expansion programme of existing producers of coke in the country and assess the additional production likely to be available from existing and projected cokeries;

(iii) In case the need for additional coke production is established, to advise on the exact quantum of development and the size of the plant or plants that will have to be established, and on their appropriate locations and in this connection to make an appraisal of the economics of the West Bengal Government Scheme referred to in Para 1 taking into account the scope for utilization of by-products dealt with in (iv), (v) and (vi) below;

(iv) To examine the prospects of by-product recovery and coal-tar distillation plants, against the demand, current and expected, during the Second Five Year Plan, for the primary organic chemicals obtained as by-products directly from coke-oven gas or from distillation of coal-tar;

(v) To examine the scope for and economics of a thermal power plant as an adjunct to a coke-oven plant, if established at Durgapur taking into consideration the power generation programme of the Damodar Valley Corporation and the anticipated growth of load for electric power in the Bengal-Bihar areas;

(vi) To examine other possibilities of utilizing coke-oven gas in the vicinity of a coke-oven plant if established at Durgapur for improving the economics of operation of the coke-oven plant;

(vii) To advise on the best method of organization and management of any independent coke-oven plant or plants and ancillary industries that might be recommended to be established in the public sector.

## CONTENTS

Introduction dealing with history of the Durgapur Project and the Appointment of the Committee; Assessment of Demand for Coke; Replacement and expansion programme of existing producers and additional production from these and any other projected cokeries; Appraisal of different locations for creating additional capacity for coke; Demand for primary organic chemicals and other by-products, coal-tar distillation products, price levels for these products by 1960; Establishment of a Thermal Power Plant as an adjunct to the Durgapur Coke-Oven Plant for improving its economics of operation; Economics of the Durgapur Coke-Oven Project; Organization and Management of Coke-Oven Plant; Summary of Conclusions and Recommendations; Explanatory Notes by Shri S. V. Aiyer, Shri S. N. Ray and Shri R. K. Ramadhyani; Appendices.

## RECOMMENDATIONS

The demand within the country for hard coke in 1953 was estimated at 462,478 tons. The estimated demand for hard coke by 1960, exclusive of the requirements of the steel works and their subsidiaries and the Sindri Fertilizer Factory, would be about 875,000 tons of which 831,000 tons would be for sized coke. The increase in requirements is expected to arise mainly from foundries, Mysore Iron & Steel Works, soda ash, sugar, calcium carbide and ferro-manganese industries.

Of the total demand by 1960, about 100,000 to 110,000 tons of hard sized coke would have to be of a grade required in ferro manganese and ferro alloys production, i.e., with phosphorus not exceeding 0.05 per cent and ash below 20 per cent. A very special grade of another 15,000 to 20,000 tons of coke with phosphorus not exceeding 0.03 per cent and ash below 12 per cent would be needed for the production of calcium carbide, sodium sulphide and special castings.

No supplies of sized coke for the market could be envisaged from the steel works and the Sindri Fertilizer Factory with the exception of the Indian Iron & Steel Company, who have indicated a possible supply of sized coke during the period of the Second Five Year Plan varying between 66,000 tons in 1955 and 44,000 tons in 1960, the supply in 1959 being nil.

On the assumption that the renovation programmes furnished by the four private merchant cokeries in existence would be completed, their capacity by 1960 would be 307,000 tons per annum; a production of 269,500 tons of sized coke is expected from them in 1960. The supplies of sized coke from the Giridih Coke Ovens have been placed at 27,600 tons in 1960. The total availability of by-product sized coke from the existing sources indicated above (i.e., private merchant cokeries, Giridih Plant and IISCO) is expected to be 341,100 tons in 1960. Including supplies of sized bee-hive coke estimated at 105,000 tons in 1960, the total domestic supplies of sized coke would come to 446,100 tons.

The deficit in supplies of sized coke to be covered by the erection of additional coke capacity would amount to 384,900 tons. The tonnage of normal grade of sized coke would correspond to 250,000 to 270,000 tons of the total deficit, the balance being of special grades.

The deficit in supplies of sized coke to be covered by the erection of additional coke capacity would amount to 384,900 tons. The tonnage of normal grade of sized coke would correspond to 250,000 to 270,000 tons of the total deficit, the balance being of special grades.

To investigate the question of appropriate locations for coke-oven plants, the Committee would have had

to study several aspects of the different coal fields and their coal, select several possible areas and make a comparative study of the merits and demerits of each location before the most suitable location/locations could be indicated. The volume of work and the investigation that would be involved would take a considerably longer period for the Committee to complete such a study, if required. If the Planning Commission consider that such an investigation is required and it would be advantageous for them to have ready data on the subject for their further guidance, the Committee would like to suggest that separate arrangements for undertaking such an exhaustive enquiry should be made.

In the light of the position explained above, even while considering the question of location of the plant proposed by the West Bengal Government, the Committee were not able to discuss any location other than Durgapur. An examination of the several aspects relating to Durgapur reveals that facilities of quick transport towards Calcutta side from a four-track railway system soon to be electrified, cheaper railway freight for coke compared to freight from Jharia, etc., future availability of water transport through Durgapur Canal towards Calcutta and places in between, cheap land, water supplies and a developed colony obtain at Durgapur which is also favourably situated in respect of availability of coal and power and the market of Greater Calcutta. The Committee are, therefore, of the opinion that taking the deficit into account, the Durgapur site is suitable for the location of the plant proposed by the West Bengal Government with a capacity of 292,950 tons of sized coke over 1" per annum.

The sections of the Durgapur Scheme, whose economics have been worked out by the Committee, comprise the following:

(a) Coke-Oven Plant with a daily throughput of 1,300 tons of coal and coke breeze (1,235 tons of coal and 65 tons of coke breeze).

(b) Auxiliary Plants for the recovery of by-products from coke-oven gas (Ammonia, Sulphuric Acid, Coal-tar, Crude Benzol and its rectified products).

(c) Coal-tar Distillation Plant with a daily input of 50 tons of coal-tar.

The fixed capital investment on the sections covered in the economic appraisal is estimated at Rs. 525 lakhs. The requirements of working capital have been estimated at Rs. 35 lakhs.

In calculating the credits, the Committee are of the opinion that counting the potentialities for industrial development in the Bengal-Bihar area, there

would be a market for 500,000 gallons of benzene and corresponding quantities of other by-products of benzol rectification. The balance of crude benzol would have to be processed and sold as motor benzol. The surplus coke-oven gas amounting to 8.18 million c.ft. of 450-460 BTU per c.ft. per day will be utilized in the beginning for firing the boilers of the Thermal Power Plant of 30,000 KW capacity. The total credits from the sale of different products are estimated at Rs. 193.61 lakhs as against manufacturing charges and provisions for depreciation and interest on working capital totalling Rs. 157.9 lakhs.

The operating results show a return of 6.8% over the capital investment of Rs. 525 lakhs, the two items of preliminary expenses, i.e., expenditure on the project report and interest during the period of construction on any loan capital that might be secured, estimated at an extra Rs. 30 lakhs, being written off from the profits gradually year by year, according to existing commercial practice. These items have not been provided for in computing the 6.8% referred to. The above return is visualized after providing depreciation and interest on working capital, without providing for interest on fixed capital.

Having regard to the agreement entered into by the West Bengal Government and the Damodar Valley Corporation in January, 1955, on the installation of a 30,000-KW Thermal Power Plant by the latter, it is not considered necessary to assess the growth of load in the Bengal-Bihar area as required under the Terms of Reference. The installation of this power station provides an outlet for the by-product coke-oven gas and thus improves the economics of the Scheme.

Having regard to certain industrial demands in prospect near Durgapur, which have been intimated to the Committee by the West Bengal Government, it is not clear at this stage whether there would be enough gas for being transported to Chittaranjan area or to Calcutta. On re-examination of the Terms of Reference since the submission of the Interim Report, the Committee are of the opinion that since they were only called upon to examine the possibilities of utilizing coke-oven gas in the vicinity of a coke-oven plant if established at Durgapur, it is not necessary for them to report on the proposals relating to the gas grid intimated by the West Bengal Government as part of the First Phase of their Durgapur Scheme.

The State Government, who have sponsored the Durgapur Project, would naturally be the authority to decide on the form of organization and management for the Project. According to the Committee, the operation of the Project should be based on strict commercial principles.

# ADVISORY COMMITTEE ON AFTER-CARE PROGRAMMES, 1954—REPORT

New Delhi, Central Social Welfare Board, 1955. 2 Vols.

Chairman : Shri M. S. Gore.

Members : Smt. Mary Clubwala Jadhav; Smt. Premvati Thapar; Shri P. R. Bhatt; Shri K. K. Balbir.

## APPOINTMENT

The Advisory Committee on After-Care Programmes was constituted under the Central Social Welfare Board in December, 1954.

## TERMS OF REFERENCE

(i) To study the nature and size of the problem of those adults and juveniles who have been discharged from correctional institutions and institutions for the physically and socially handicapped.

(ii) To determine the scope of After-Care Programmes for these individuals.

(iii) To assess the extent to which the existing After-Care Services meet the needs of the situation and specify the manner in which they need to be developed and modified.

(iv) To suggest ways and means for the establishing of these additional services by statutory and voluntary agencies with the aid of the Central Social Welfare Board.

(v) To indicate the manner in which the pre-discharge policies and practices of institutions may have to be modified if the suggested after-care programmes are to be effective.

## CONTENTS

Vol. I: Preface; Part I: Introduction; Orphanages; Part II: Homes for Women; Homes for the Destitute; Institutions for the Blind, the Deaf and the Leprosy Patients; Institutions for Juvenile Offenders; The Jails in India; Discharged Prisoners' Aid Societies and After-Care Associations; Part III: Recommendations; Vol. II: Appendices.

## RECOMMENDATIONS

The total programme of rehabilitation consists of two phases: Institutional Care and Post-Institutional or After-Care. After-Care has itself two aspects: Vocational Rehabilitation and Social Rehabilitation. The two sets of services are mutually supportive.

For Vocational Rehabilitation the Committee recommend the following services:

(i) The issuing of Letters of Recommendation after proper investigation;

(ii) The organizing of Job Placement Service;

(iii) The Removal of Restrictions on the employment of ex-convicts;

(iv) The Reservation of a Certain Percentage of Jobs for the physically handicapped;

(v) The Issuing of Small Loans for self-employment;

(vi) The organization of Producers' Co-operatives;

(vii) The organization of Small-Scale Industrial Units;

(viii) The provision of Sheltered Workshops and Home Workers' Schemes for the Physically Handicapped.

For Social Rehabilitation of the discharges from institutions the Committee recommended:

(i) The organizing of After-Care Hostels;

(ii) The providing of Guidance, Counselling and Follow-up Services;

(iii) The providing of Legal Aid and Protection Services.

The best machinery for providing the above-mentioned services would be a nation wide organization of Voluntary After-Care Agencies.

The initiation of after-care work by the Central Social Welfare Board which would be advised in this field by (i) a Central Advisory Committee and (ii) State Advisory Committees.

The Central Advisory Committee would help the CSWB to develop a co-ordinated policy and programme for the development of After-Care Services. This Committee would also assist and guide the work of the State Advisory Committees.

The State Advisory Committees, which will function as specialized bodies of the State Welfare Advisory Boards, will be responsible for preparing detailed programmes of development for their particular States. Their recommendations, routed through the State Boards, would have to receive the approval of the Central Social Welfare Board.

The State Advisory Committees in their own turn will implement the programmes through the instrumentality of Project Implementing Committees.

## Targets For The Next Plan Period

The Committee have also suggested specific targets of work for the next five-year period. These targets

have been visualized in two types of After-Care Units—Type A and Type B.

(i) Type A would provide basic pre-discharge and After-Care Services. This unit will also provide temporary shelter to the dischargees. It will employ at least one After-Care Officer, one typist-clerk and one peon involving a salary bill of Rs. 6,000 annually. Office expenditure and provision of shelter services will involve about Rs. 5,500 annually. The Committee recommend that each unit should have about Rs. 5,000 at its disposal from which Occupational Loans could be granted to its clients. Thus the total outlay for each such unit will be about Rs.17,000.

(ii) Type B would provide all the above services and also have a regular hostel for about 30 inmates and a fully organized Production Centre. The additional recurring expenditure of this unit will be about Rs. 10,000 not chargeable to the workshops and also involving about Rs. 1,00,000 for a hostel building providing accommodation for 30 people.

Ultimately each one of the 330 districts will have one After-Care Unit of either of the above two types.

In view of the limited organizational resources, however, the Committee have recommended that 150 District Units be established all over the country—120 Type A units and 30 Type B units during the next five years.

#### Sources Of Financial Support

In the opinion of the Committee the following governmental agencies may have to work together to find the necessary finances for implementing the recommendations:

- (i) The Central Social Welfare Board.
- (ii) The Ministry of Home Affairs and its corresponding State Departments.
- (iii) The Ministry of Education and the State Departments of Education.
- (iv) The Ministry of Commerce and Industry and its State counterparts.

## PROHIBITION ENQUIRY COMMITTEE, 1954—REPORT

Delhi, Manager of Publications, 1955. 183, IVp.

Chairman : Shri Shriman Narayan.

Members : Shrimati Sucheta Kripalani; Shri S. R. Vasavada; Shri Jaglal Choudhry; Shri G. Ramachandran; Dr. Bhasker Patel; Shri V. D. Dantiyagi (died, replaced by Shri R. N. Samarth); Dr. P. J. Thomas.

Co-opted

Members : Shri P. Kodanda Rao; Prof. D. S. Nag.

Secretary : Shri N. S. Varadachari.

#### APPOINTMENT

The Prohibition Enquiry Committee was constituted under the Planning Commission vide their Resolution No. PC/Proh/1/54 dated December 16, 1954.

#### TERMS OF REFERENCE

(i) To examine the experience gained regarding measures adopted by State Governments to promote prohibition with a view to assessing the extent to which these have been successful and analysing the practical difficulties—administrative, economic, social and others—which have come in the way of implementation of the Programme of Prohibition;

(ii) To make recommendations for a Programme of Prohibition on a national basis;

(iii) To indicate the manner and the stages in which,

and the machinery through which, this programme should be carried out; and

(iv) To make such other recommendations on the subject as the Committee may consider necessary.

#### CONTENTS

Introductory; Historical Background and Factual Position; National Programme; Enforcement; Financial Aspect; Conclusions; Summary of Recommendations; Appendices; Dissenting Minute.

#### RECOMMENDATIONS

##### National Programme

Prohibition should be regarded as an integral part of the Second Five Year Plan.

The target date for completing Nationwide Prohibition should be April 1, 1958.

Before the end of the current year the State Governments may declare their acceptance of Prohibition Policy and the target date and prepare the public to fully co-operate in the fulfilment of the Prohibition Programme.

A clear-cut statement may be issued by the Union Government to the effect that Prohibition has become the national policy of the Government and that through

the gradual process of education, tightening of restrictions and enforcement, the use of intoxicating drinks and of drugs injurious to health, except for medicinal purposes, is to be completely stopped and before April 1, 1958, Prohibition will become national law through the State Legislatures.

In States which have yet made no beginning towards Prohibition and in the wet areas of Partial Prohibition States, from April 1, 1956, there should be stoppage of drinking in hotels, bars, restaurants, messes, clubs, cinemas and in parties and functions—social, religious and otherwise.

During the transition period, in the case of hotels catering to foreign visitors and tourists, a separate room may be provided for service of liquor to them. Such hotels should be specified by State Governments and rules made in regard to the serving of liquor on temporary permits for foreign visitors and tourists.

During the transition period, in regard to the messes of Defence Services, liquor should not be served at the table when outsiders are invited.

From April 1, 1956, advertisements and all other public inducements relating to drink should be prohibited.

Provision may be made for the following:

(a) Foreign tourists and visitors and foreigners resident in this country may be allowed to have liquor privately in their homes on the basis of special permits. They should in no case indulge in drinking in public after the target date.

(b) For sacramental purposes, liquor may be allowed on permits to Christian, Jewish and Parsee places of worship.

(c) Small quantities of liquor and opium and its derivatives may be permitted for medical treatment of cases under proper safeguards.

#### Enforcement

It is of the utmost importance that the public conscience should be roused to combat the growing evil of drink and drugs.

Enforcement should proceed on two definite lines:

(a) Educative and Preventive; and

(b) Legal and Administrative.

To achieve co-ordination between the two wings of the enforcement machinery, an Administrator of Prohibition should be appointed in every State with effect from April 1, 1956. The Administrator should work directly under the Minister for Prohibition.

There should be a Prohibition Board at the State level consisting of representatives of both the wings of the enforcement machinery as well as some representatives of public opinion. The Minister in charge of Prohibition will be the President of the Board and the Administrator its Chairman.

It would also be necessary to establish Prohibition Committees in each district and even up to the village and mohalla level.

There should be a Prohibition Act in every State. In the States where no such Act is in force, steps should be taken as early as possible to frame the necessary legislation. The Acts of Bombay and Madras which are already in force may serve as models.

Prohibition offences should be treated on a par with other offences and the police should be made responsible for the legal enforcement of prohibition. All powers in connection with investigation, prevention, detection, prosecution, etc., will vest with the Police Department.

Within the Police Department, there should be a special enforcement branch for Prohibition work, consisting of trained personnel.

Mobile squads of police be organized especially for attacking sources of illicit supplies of liquor and drugs. For this purpose, the State Governments should provide adequate transport and other facilities.

The following changes in law and procedure are suggested:

(1) All offences connected with illicit distillation, import and export of liquor and drugs, bottling of illicit liquor for sale, rendering denatured spirit potable, cultivation of hemp plant, etc., should be made non-bailable.

(2) Punishments in connection with non-bailable offences should be made deterrent. The law should prescribe a minimum punishment for the first offence which may be imprisonment for six months and a heavy fine, and for the second offence, a minimum of one year and a heavier fine.

(3) There should be summary trials for Prohibition offences other than non-bailable offences mentioned above. A time-limit of two months for each case may be set for ensuring an expeditious disposal. The intention is to simplify procedure without taking away the right of the citizen to defend himself properly before a court of law.

(4) State Governments should devise ways and means of protecting witnesses who furnish important information relating to non-bailable offences.

(5) Where a person continues to defy the law and is engaged in illicit manufacture or illicit traffic in drinks and drugs, the possibility of the use of Security Sections of the Criminal Procedure Code may be examined for the prevention of such offences.

Concerted measures are necessary to strike at the roots of illicit distillation and trade.

Great care should be taken in the matter of selecting personnel for the enforcement of Prohibition.

Machinery for education and propaganda should be immediately organized by State Governments.

The Education Department has a special function to perform in the matter of educating students and younger people in regard to the harmful effects of alcohol and drugs.

The Press should be fully utilized to rally public opinion around Prohibition.

The immediate steps to be taken in Prohibition Areas and non-Prohibition Areas will take distinct forms; in the former attention should be focussed on the enlarging of entertainment and recreation facilities and the application of persuasion to addicts to give up drinking. In non-Prohibition States immediate attention should be given to preparing the ground for the introduction of Prohibition and creating the nucleus of the enforcement machinery.

Special efforts should be made to persuade ex-toddy tappers to take up suitable cottage industries. Liquor contractors and vendors should be weaned off from their present occupations and encouraged to take up more productive lines of work.

A Central Research Institute should be set up for the study of mental and physical disorders and psychological problems connected with alcoholism.

It would be useful to conduct research on the industrial utilization of such base materials as molasses and palm juice which are used for illicit distillation.

#### Financial Aspects

The Excise duties on narcotics and intoxicants collected in the States are highly iniquitous, regressive and anti-social. This kind of levy has no justification to exist in a progressive tax system and should be wiped out at the earliest.

The Union Government would give adequate assistance to those States which depend on Excise for a considerable part of their revenue to introduce Prohibition in their areas and to push through other social welfare schemes.

## ADVISORY COMMITTEE ON SOCIAL AND MORAL HYGIENE, 1954—REPORT

New Delhi, Central Social Welfare Board, 1956. 175p.

Chairman : Smt. Dhanwanthi Rama Rau.

Members : Smt. Shanti Kabir; Smt. Vimala Deshmukh; Smt. Maitreyee Bose; Smt. P. Parijatham Naidu; Shri V. V. Sastri.

### APPOINTMENT

The Advisory Committee on Social and Moral Hygiene was constituted under the Central Social Welfare Board on December 24, 1954.

### TERMS OF REFERENCE

(i) A study of the extent of the problem of immoral traffic in women and children throughout the whole of India be made;

(ii) The background information that was conducive to the victimization of women and children for immoral purposes be collected;

(iii) The laws concerning the problem of Immoral Traffic, Brothels and Prostitution be examined from State to State and an investigation made with regard to prosecutions that may have taken place under any of the laws relating to the subject—Central, State, Municipal Bye-laws, etc;

(iv) More effective remedial measures be suggested

that may apply in a uniform manner to all the States of India;

(v) Existing institutions for destitute women and girls, rescue homes and orphanages be visited and programmes of education and training in these institutions examined;

(vi) Methods of work for the rescue of women and girls who are led into an immoral life be suggested;

(vii) Suggestions be made for the creation of new institutions for rescued women, where more comprehensive work may be undertaken on sound scientific lines for their education, training and rehabilitation to wean them away from a life of vice and degradation;

(viii) After-care programmes be suggested for the permanent mental and economic regeneration of those who have been rescued and rehabilitated.

### CONTENTS

Introductory; General Information; Prostitution; Institutions; Legislation; Reclamation, Rehabilitation, and After-Care (Part I); Scheme of Reclamation, Rehabilitation and After-Care (Part II); Concluding Remarks; Appendix I to V.



## RECOMMENDATIONS

### Governmental

**Sex Education:** It is necessary that in every Educational Institution at all stages Sex Education of a progressive nature should be given to children and adults. It is the opinion of the Committee that many of the lapses from an honest way of life can be avoided if in adolescence children are made aware of their awakening emotions and are helped and guided<sup>1</sup> by those they can trust. This specialized education is desirable also in their homes, but judging by the conditions at present it will be a long time before they can expect such guidance from their parents unless courses on this subject are introduced also in Programmes for Social Education. A carefully worked out syllabus must be evolved to suit the child, at each stage of its development and educational career. It is only with this knowledge that boys and girls could be guided into decent ways of living, respect each other and learn the necessity of keeping their bodies clean and healthy for the assumption of natural family life.

**Child Guidance Clinics:** (These) should be opened in every area with suitable qualified personnel in charge. This service has developed in Western countries with undisputed success and we may well take advantage of the experience gained abroad. It is not always that a child has a happy home, which may be due to various causes. Sometimes it is difficult for parents themselves to understand the factors that need examination or they do not find it easy to resolve the tensions unaided. The advice of trained and experienced men and women could be of invaluable help. Some children grow perverse and ungovernable, and the parents themselves wonder why one child should be different from the other in the same family. Wrong treatment, punishment, enforced discipline may have very injurious effects, unless experts can help parents diagnose the trouble and apply the correct remedies. Such children when wrongly handled can become delinquents and sex delinquency is often attributed to such causes. Help of the right type at the right time can bring about a re-adjustment to a normality of behaviour.

The Committee recommends that the Child Guidance Clinics be staffed with clinicians, who have a specialized knowledge of Child Psychology and Child Care.

**Marriage Guidance And Counselling:** Child Guidance Clinics cannot produce results unless an attempt is made for the solving of the problems of the home in which the child lives. A problem child is created by the atmosphere and environment of its home and this atmosphere is often due to the fact of marital discord and disharmony. Besides young wives and husbands

could be helped over hurdles that are often responsible for the break-up of marital relations creating situations that prove dangerous. This integration of the home with those that live in it, the parents, the children, all other relations, could remove the conflicts which often are the cause of mal-adjustment and produce a most harmful effect on children who subconsciously reject the strain. Such conflicts are also often responsible for resentments between married couples that may open the door to immorality on the part of the husband or the wife. Such clinics therefore would have a far-reaching effect in improving the conditions of our homes.

**Parent-Teacher Associations:** It would be necessary to encourage in all educational institutions Parent-Teacher Associations. A child spends a good part of its day at school. It would greatly help the parents as well as the teachers, if they could get together periodically, and discuss the problems concerning the child. Such organizations would create a medium for a better understanding of the personality of the child by those who share the privilege of helping to develop the character and special aptitudes of the child. The parents would realize that they must assume the responsibility, which is not recognized today, of co-operating with the school authorities, so that they may apply the correctives that are suggested by the school authorities with understanding and sympathy at home.

**Veneral Disease:** The question of venereal disease is closely associated with prostitution, promiscuity and lapses in moral conduct. This Committee, throughout its tours, interviewed doctors on the subject and arrived at the conclusion that although a universal anxiety was expressed at the endemic nature of the many types of this disease there was hardly any uniform governmental machinery to detect and help eradicate it in spite of its dire consequences. A comprehensive picture could not be placed before the Committee, for the figures and statistics obtainable were limited. In some parts of the country, intensive work is being done, whereas in other parts no heed is being paid and no special clinics have been established.

Factual information, however, can be obtained from a report of the investigations carried out by Sir John Megaw, in 1933, into Village Health Conditions, which states that approximately 13 million people were suffering from venereal diseases. He states, "It would probably be well within the mark to assume that 10 to 15% of the inhabitants suffer from syphilis, at some time or the other during their lifetime". It is also estimated that among the States, Madras and Bengal lead the rest in having the highest incidence of venereal disease. Expert work in this field is being done in Madras, under Dr. Rajan, a specialist with an international reputation, and Dr. Murti, in Visakhapatnam. In the latter town the Committee visited a

large and efficiently run hospital where a praiseworthy effort is being made, not only to give treatment to sufferers in the Special Department for Venereal Disease and Skin Diseases, but a careful follow-up work by paid medical social workers, both men and women, is also undertaken.

We were told in Srinagar that a World Health Organization team had been responsible for excellent work in villages in the Jammu area, where the population was being wiped out by this scourge.

The Bombay Municipality has a special Venereal Disease Control Department. The Committee was only able to collect fragmentary information on this important topic. The full implication of the evil was realized when we visited the hospital in Visakhapatnam where we were shown the horror of the ravages of this disease on innocent victims, women and children, who were in-patients in the wards. We were told that those suffering from the disease discontinue the treatment as soon as the first symptoms disappear, not realizing that until the treatment is complete they still carried the infection. The doctor explained that unless an adequate staff of doctors and medical social workers could be appointed to do intensive work, not only in curing sufferers but to discover the contacts that were responsible for the infection in the original case, and the contacts made by the infected men or women after the infection, the work in this field would be incomplete. We consider this subject so important that we recommend to the Government that :

(1) An educational programme be devised for the layman and woman on the subject of venereal disease on the lines of programmes of other epidemics.

(2) An all-India plan for detection and curing of venereal diseases be undertaken.

(3) Compulsion be used for complete treatment, wherever sufferers are detected.

The Committee has received a comprehensive report made on the subject from the Social and Moral Hygiene Association of India, which makes interesting reading.

**Family Planning :** The Committee considers that the subject of Family Planning is closely related to the subject of Social and Moral Hygiene and would recommend that the Government strengthen Family Planning Programmes throughout the country. It stands to reason that when large families of eight or nine comprising parents and children of all ages are crowded in single-room tenements, sex knowledge is acquired with neither understanding nor restraint.

Conditions produced by unplanned families tend to the weakening of moral codes and social values. We have already commented on the importance of improving economic conditions and housing facilities, and on the raising of living standards to help with the

problem of prostitution and promiscuity. No progress in these measures can be effected unless men and women are taught that they should raise only as many children as their economic condition can support, recognizing the requirements of parental care, clothing, health and education to which the child is entitled. Programmes for Family Planning therefore should be emphasized.

#### Voluntary Welfare Societies

The Committee recommends that all voluntary welfare societies should undertake countrywide programmes to :

(a) Advocate suitable changes in social life and community practices and customs to meet the requirements of modern times without breaking down traditions which may be healthy.

(b) Propagate the eradication of the double moral standard so common in Indian homes. Society is usually prepared to reject the woman who may have made a mistake, but there is no rejection of the man who is known to be immoral. The stigma that attaches to the prostitute has no counterpart for the prostitute's paramour. Laws that penalize the prostitute take no cognizance of the client who has made the prostitution possible. In our opinion he is more worthy of blame, for while the woman may be driven to prostitution through necessity, financial or otherwise, he may be a married man with a comfortable home and growing children, economically well placed, but driven to seek an outlet for casual lusts.

(c) Study and devote some time to the propagation of spiritual and moral codes to replace the narrow religious precepts blindly followed in most Indian homes today. It is necessary to discriminate between true and false values and change socio-religious laws that lay down restrictions that today have no place in life. It should be the function of respected social workers to propagate ideals and convince those they work for that inner strength of character has to be developed and discrimination between right and wrong has to be engendered in the individual so that men and women should automatically choose the right path without social compulsions. This no doubt would be a long-term programme and different too, because of the complicated social pattern of the thousands of communities of our people and the varying degrees of changes that are affecting them with changing conditions today.

#### Basic Requirements And Institutions for Reclamation, Rehabilitation And After-Care

No official measures in any of these departments should be organized without the active co-operation of suitable voluntary agencies and individual workers.

Sympathy and understanding are often unobtainable from those who follow strict official procedures and we believe that the class of women for whom such work is initiated are specially in need of a sympathetic approach to their problems. A happy relationship between officials and non-officials should be established for co-operation and material advice and consultation.

No institution organized for work in connection with rescued women should have any but women in charge of the internal management of the Institution and intimate dealings with the inmates. Men should be strictly excluded, though they may be employed for dealing with the police and the courts of law, general protection, accounts departments and external management.

No institution should be allowed to exist unless its management undertakes to provide decent healthy surroundings, general education and vocational training for the inmates with the purpose of making them independent in a fixed period (three to five years). No marriage be allowed to take place unless the woman has been trained in Elementary Domestic Science and Child-Care to fit her for marriage. No home be allowed to exist that is not registered, licensed and open to inspection from time to time—by official authorities.

The Committee realizes the inadequacies of the enquiry it has attempted to carry out. Except for getting a general picture of the position, with regard to brothels and prostitution and the other immoral traffickers who support them, we have not been able to carry out any research study into the many aspects of this important subject. The time was too short for detailed work and the equipment of the Members was insufficient to approach the problems from the scientific angle. It is, however, our recommendation that Trained Social Scientists be appointed by the Central Social Welfare Board to study the subject from the research angle. The following is a list of subjects that may well be taken up for a deeper study so that a background could be obtained, for a more effective work in the future.

Subjects such as the following would be suitable for research work and other topics could be added from time to time:

(1) Case-study of the inmates of a Vigilance Home with special reference to the problem of rehabilitation.

(2) Analytical study of the family background of the brothel-keepers.

(3) Socio-economic study of the pimps and procurers.

(4) Study of the attitudes of the young women towards their stay in a Vigilance Home.

(5) Home conditions inducing prostitution among women and girls in poor families.

(6) Attitudes of women prostitutes towards the profession of prostitution.

(7) Prostitution and correctional administration (i.e., critical survey of the police, judicial, probation service and institutional administration, with a view to improving their methods which would be helpful for rehabilitation of women and children convicted and rescued under the Suppression of Immoral Traffic Act).

(8) A comparative study of the economic, professional and human values, as achieved or realized by the two groups of prostitutes, viz., prostitutes from hereditary homes and street prostitutes.

(9) Study of the attitudes of some of the inmates of a Rescue Home or jail in regard to their future rehabilitation.

(10) Case-study of some of the women who have been rehabilitated from a Rescue Home.

(11) Study of the attitudes of men who marry women from Rescue Homes.

(12) Case-study of the habitual offenders, i.e., prostitutes who go back to the profession.

(13) Study of spheres of co-operation between paid officials in charge and voluntary and public workers.

(14) Producer Co-operatives and their value in rehabilitation work with study of the demand and supply of the varied products of Women's Institutions.

(15) Research into the motivations of married men with homes and families who are habitual frequenters of brothel areas.

(16) Research into the hormones determining the sex life and sex behaviour of an individual, e.g., the action and interaction of the hormones produced by the Anterior Pituitary, Adrenal, Cortex and Ovary.

(17) Study of the taboos and moral codes of different ethnic groups including tribals.

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